

**CABINET: THURSDAY, 17 NOVEMBER 2022 at 2.00 PM**

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A Cabinet Meeting will be held in CR 4, County Hall and as a Multi Location Meeting on Thursday 17 November 2022 at 2.00 pm

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**A G E N D A**

- 1 Minutes of the Cabinet Meeting held on 20 October 2022 *(Pages 3 - 10)*

**Scrutiny Matters**

- 2 To receive the report of the Environmental Scrutiny Committee entitled Supplementary Planning Guidance *(Pages 11 - 82)*

**Leader**

- 3 Shared Prosperity Fund - Update *(Pages 83 - 120)*

**Education**

- 4 Fairwater Campus Band B Redevelopment *(Pages 121 - 210)*

**Finance, Modernisation & Performance**

- 5 Treasury Management Mid Year report *(Pages 211 - 240)*

- 6 Non Domestic Rates - Writes Offs *(Pages 241 - 250)*

- 7 Budget Monitoring Month 6 *(Pages 251 - 302)*

**Housing & Communities**

- 8 A New Housing Partnership *(Pages 303 - 336)*

**Transport & Strategic Planning**

- 9 Shared Regulatory Services Annual Report 2021-22 *(Pages 337 - 408)*

**PAUL ORDERS**

Chief Executive

This document is available in Welsh / Mae'r ddogfen hon ar gael yn Gymraeg

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**CARDIFF COUNCIL  
CYNGOR CAERDYDD**



**MINUTES**

CABINET MEETING: 20 OCTOBER 2022

Cabinet Members

Present: Councillor Huw Thomas (Leader)  
Councillors Peter Bradbury/ Julie Sangani (job share)  
Councillor Jen Burke-Davies  
Councillor Dan De'Ath  
Councillor Russell Goodway  
Councillors Norma Mackie/ Ash Lister (job share)  
Councillor Sarah Merry  
Councillor Lynda Thorne  
Councillor Chris Weaver  
Councillor Caro Wild

Observers: Councillor Joe Carter  
Councillor Adrian Robson

Officers: Paul Orders, Chief Executive  
Chris Lee, Section 151 Officer  
Davina Fiore, Monitoring Officer  
Sarah McGill, Corporate Director  
Joanne Watkins, Cabinet Office

Apologies:

**34 MINUTES OF THE CABINET MEETING HELD ON 21 SEPTEMBER 2022**

The minutes of the Cabinet meeting held on 21 September 2022 were approved

**35 ANNUAL WELLBEING REPORT**

The Cabinet considered the Council's Annual Wellbeing Report which represented the annual review of performance and discharged a number of statutory requirements, in particular, the new performance duties introduced by the Local Government and Elections (Wales) Act. The report represented a balanced assessment of the Council's performance and had been considered by the Council's Performance Panel, Policy

Review and Performance Scrutiny Committee and Governance and Audit Committee.

**RESOLVED:** that

1. authority be delegated to the Chief Executive, in consultation with the Leader of the Council and Cabinet Member for Finance, Modernisation & Performance, to make any consequential changes to the Annual Well-being Report 2021/22 following the receipt of any comments from the Policy Review and Performance Scrutiny Committee.
2. the Annual Well-being Report 2021/22 be approved for consideration by Council.

36 **REVIEW OF THE LEISURE SERVICES CONTRACT (GLL)**

***Appendices 1, 2 and 5 of this report are exempt from publication pursuant to paragraph 14 of Part 4 of Schedule 12A to the Local Government Act 1972.***

Cabinet received details of the contract review of Greenwich Leisure limited (GLL) and outlined the impact of the current increase in energy costs on GLL and a potential relief payment to mitigate the effect. The report also outlined proposals for Pentwyn Leisure centre.

**RESOLVED:** that

- i) the contract review undertaken by Local Partnerships attached at Confidential Appendix 1 be noted
- ii) Approval in principle be given to a relief payment to GLL to assist with mitigating the rise in energy costs during the current financial year capped as set out in Confidential Appendix 2 and authority be delegated to the Section 151 Officer in consultation with the Cabinet Member for Finance, Modernisation and Performance to authorise payments in line with the methodology and due diligence set out in Confidential Appendix 2.
- iii) Agreement in principle be given to the proposal for GLL to acquire energy either directly or indirectly through the Crown Commercial Service and to authority be delegated to the Director of Economic Development in consultation with the Cabinet Member for Culture and Leisure and the Cabinet Member for Finance, Modernisation and Performance, the Section 151 Officer and the Legal Officer to consider all of the implications as set out in this report and in Confidential Appendix 2 and if the proposal is beneficial to the Council and GLL to make such variations as required to the lease and or the contract.
- iv) Agreement in principle be given to the proposal to upgrade the energy infrastructure at each leisure centre to provide lower cost renewable

energy subject to approval of a Full Business Case being presented back to a future meeting of Cabinet.

- v) Agreement in principle be given to the approach outlined in this report for the modernisation and future operation of Pentwyn Leisure Centre and authorise the preparation of a full business case detailing final costs to be presented back to a future meeting of Cabinet for authority to proceed.

### 37 **SOCIALLY RESPONSIBLE PROCUREMENT STRATEGY 2022 - 2027**

The Socially Responsible Procurement Strategy 2022-2027 was considered by Cabinet. The strategy placed an increased emphasis on delivering community benefits through Council contracts and promoting a fair work agenda.

**RESOLVED:** that

1. the Socially Responsible Procurement Strategy 2022-2027 be approved.
2. Authority be delegated to the Corporate Director of Resources to approve any updates to the strategy from time to time in line with changes in legislation.

### 38 **BUDGET 2023/24 - UPDATE**

A report outlining preparations for the 2023/24 budget was received. The indicative budget gap was now estimated at £53million. Cabinet were advised that there were a number of key factors likely to affect the budget such as inflationary pressures across a number of services, rising energy, food and fuel prices and workforce costs. The report also outlined the impact of interest rates, the UK mini budget, income loss, funding and increasing demand in Children's Services. It was reported that work was ongoing to address the predicted gap and that proposals would be subject to consultation.

**RESOLVED:** that

1. the updated budget reduction requirement of £53 million for 2023/24 be noted
2. directorates continue to work with the relevant Portfolio Cabinet Member(s), in consultation with the Corporate Director Resources and Cabinet Member for Finance, Modernisation and Performance to identify potential savings to assist in addressing the indicative budget gap of £53 million for 2023/24.
3. It be noted that the Chief Executive as Head of Paid Service will be issuing all necessary statutory and non-statutory employment consultation in respect of the staffing implications of budget preparation.

4. It be noted that work will continue to update and refresh the budget gap and that this will be reported to Members as appropriate.
5. consultation on the 2023/24 budget proposals will take place when the detail of options is available in order to inform the preparation of the draft 2023/24 Budget.

#### 39 **REDECLARATION OF CATHAYS ADDITIONAL LICENSING SCHEME**

*Councillors Mackie, Merry and Weaver declared prejudicial interests in this item as respondees to the consultation and left the meeting during consideration of this item.*

The Cabinet considered a report outlining the results of the consultation exercise on the re-declaration of the Additional Licensing Scheme in Cathays and demonstrating the case for the re-declaration.

**RESOLVED:** that the Cathays Community Ward be re-declared as an Additional Licensing area with effect from 1 February 2023 to run for a period of 5 years.

#### 40 **IMPLEMENTATION OF THE RENTING HOMES WALES ACT**

The Cabinet received a report containing details of the implications of the Renting Homes (Wales) Act 2016. The Act was intended to provide more security of tenure for tenants and meant that Council house tenants would become 'contract-holders'. It was also reported that contract-holders would be entitled to two months notice of any rent increase.

**RESOLVED:** that

1. Approval be given to the proposed approach being taken to respond to the requirements of the Renting Homes (Wales) Act 2016 including the changes in the Council's rental agreements and procedures.
2. Authority be delegated to the Director Adults, Housing and Communities, in consultation with the Cabinet Member for Housing & Communities and Director of Governance and Legal Services, to finalise the new contracts for council tenants and procedures to fully implement the changes introduced in the Renting Homes (Wales) Act 2016.

#### 41 **LLANRUMNEY REGENERATION SCHEME UPDATE**

Appendices 2 - 4 of this report are not for publication as they contain exempt information of the description contained in paragraphs 14, 16 and 21 of Schedule 12A of the Local Government Act 1972.

An update on the Llanrumney Regeneration Scheme was received, including details of the developer's proposal for the delivery of a new road link and bridge connecting the A48 to the Llanrumney ward. It was reported that given the increasing costs of the bridge, a contribution would be required from the Council and it was proposed that this be met through the residual amount of capital receipt from the disposal of the Ball Road and Ball Lane sites and that the costs associated with the enhanced specification for active travel be met with s106 contributions.

**RESOLVED:** that

- 1) progress on the delivery of the Llanrumney Regeneration Scheme be noted
- 2) authority be delegated to the Director of Economic Development in consultation with the Cabinet Member for Investment and Development, the Section 151 Officer and the Legal Officer to:
  - i) progress the disposal of the 3 parcels of land in the sequence set out in this report.
  - ii) enter legal contracts for the delivery of the new road link and bridge subject to an independent valuation, the capped contribution set out in Confidential Appendix 4, and the funding being available as anticipated in this report and set out in Confidential Appendix 4.

42 **LOCAL AUTHORITY SOCIAL SERVICES ANNUAL REPORT 2021/22, INCLUDING MARKET STABILITY REPORT & CORPORATE SAFEGUARDING ANNUAL REPORT 2021/22**

The Cabinet received the Local Authority's Social Services Annual Report for 2021/22 together with the Market Stability report and the Corporate Safeguarding annual report. The report highlighted progress in Children's and Adults Services and outlined challenges facing Social Services. It was reported that a key priority theme across all services identified for 2022/23 was to progress locality working models, integrating council and partner services to provide support and aligned interventions at the right time to improve outcomes and reduce duplication and gaps in provision.

**RESOLVED:** that

1. the Local Authority's Social Services Annual Report for 2021/22 (including Appendix 5 MSR) respectively) be approved for consideration by Council.
2. the Corporate Safeguarding report be noted

#### 43 **COMMITMENTS TO UNPAID CARERS**

The Cabinet considered the Unpaid Carer's Charter and Young unpaid Carers Charter. The charters were designed to set out a clear direction for the planning and development of support to all unpaid carers across the Cardiff and Vale region over the next five years and it was intended that the charters would help improve support for unpaid carers and increase accessibility to information and advice.

**RESOLVED:** that

1. the Unpaid Carers Charter and Young Unpaid Carers Charter be approved
2. the work already underway to improve the support for unpaid carers be noted

#### 44 **CARDIFF ELECTRIC BUS SCHEME**

The Cabinet received a report advising that Welsh Government had allocated £8m of grant funding to support the transition to electric bus on the Cardiff network. It was reported that Welsh Government required the Council to consult with bus operators on approaches to implementing the scheme and that this was underway. The commitment to spend the funding needed to be made by the end of March 2023, with a view to ensuring buses are on the roads and in operation as soon as possible. In order to achieve this, delegated authority to the Director of Planning, Transport and Environment was needed to scope and implement the scheme.

**RESOLVED:** that

1. It be noted that the Welsh Government has allocated £8m of grant funding to support the transition to electric bus on the Cardiff Network.
2. Authority be delegated to the Director of Planning, Transport and Environment, subject to consultation with the Cabinet Member for Transport & Strategic Planning, s.151 Officer and Director Governance and Legal Services, to prepare the scope and method of allocating Welsh Government grant funding to increase the use of electric buses serving Cardiff and to determine, approve and implement the Cardiff Electric Bus Scheme.

#### 45 **SIXTH CARDIFF LOCAL DEVELOPMENT PLAN ANNUAL MONITORING REPORT**

The Cabinet received the sixth Local Development Plan Annual Monitoring report which provided a comparison with the baseline data provided by previous AMRs. It was reported that overall the findings of the sixth AMR are positive with the majority of the indicators shown as green indicating that most LDP policies are being implemented effectively



**RESOLVED:** that Council be recommended to endorse the sixth AMR for submission to the Welsh Government by 31<sup>st</sup> October 2022.

46 **RESPONSE TO THE ENVIRONMENTAL SCRUTINY COMMITTEE JOINT TASK AND FINISH GROUP INQUIRY REPORT ON THE REPLACEMENT LOCAL DEVELOPMENT PLAN - STRATEGIC AND DELIVERY OPTIONS**

The Cabinet considered the response to the letter from the Chair of Environmental Scrutiny Committee relating to the Scrutiny Task and Finish Group - Replacement Local Development Plan (LDP) – Strategic and Delivery Options. The letter from the Chair of Scrutiny set out a series of findings relating to the consultation process, the strategic and delivery options, accessibility, inclusivity and environmental sustainability issues and further scrutiny involvement in the plan preparation process and contained 6 formal recommendations. Whilst recommendations 2-6 were accepted, recommendation 1 was rejected and details of the consultation processes to date were outlined within the Cabinet report.

**RESOLVED:** that the response to the recommendations of the Environmental Scrutiny Committee Joint Task and Finish Group on the Replacement Local Development Plan – Strategic and Delivery Options, as set out in appendix 2 be approved

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An Inquiry Report of the:  
**Environmental Scrutiny Committee**

# **SUPPLEMENTARY PLANNING GUIDANCE**

**October 2022**



**Cardiff Council**

## CONTENTS

<b>CONTENTS</b> .....	2
<b>FOREWORD</b> .....	5
<b>TERMS OF REFERENCE</b> .....	6
<b>HEADLINE FINDINGS</b> .....	7
<b>KEY FINDINGS</b> .....	8
Local Development Plan .....	8
<i>Scope of LDP</i> .....	8
<i>Language in LDP</i> .....	9
<i>Evidence in LDP</i> .....	9
<i>Exceptions in LDP</i> .....	9
<i>LDP Preparation</i> .....	9
<i>Updating LDP – responding to emergencies</i> .....	10
Supplementary Planning Guidance .....	10
<i>Status and Weight of SPG</i> .....	10
<i>Scope of SPG</i> .....	11
<i>Style of SPG</i> .....	11
<i>Exceptional circumstances in SPG</i> .....	12
<i>Strong SPG</i> .....	13
<i>Identifying SPG</i> .....	14
<i>Consultation on SPG</i> .....	14
<i>Ensuring SPG are Accessible</i> .....	15
<i>Good Practice SPG</i> .....	15
Other .....	16
<i>Other planning tools</i> .....	16
<i>Annual Monitoring Report (AMR)</i> .....	16
<i>Regional Strategic Development Plans (SDP)</i> .....	17
Role of Council .....	17
<b>RECOMMENDATIONS</b> .....	18
<b>OVERALL CONTEXT</b> .....	21
<b>PLANNING IN WALES - BACKGROUND</b> .....	21

---

<b>LOCAL DEVELOPMENT PLANS</b> .....	<b>23</b>
<b>Scope of LDP</b> .....	<b>24</b>
<b>Length of LDP</b> .....	<b>26</b>
<b>How to ensure a strong LDP</b> .....	<b>26</b>
Language.....	26
Evidence.....	28
Exceptional Circumstances .....	28
Process.....	29
<b>How to ensure strong ‘hooks’ in LDP</b> .....	<b>30</b>
<b>Updating LDP</b> .....	<b>31</b>
Short-Term Review .....	32
CASE STUDY - Swansea Council – LDP policy re Houses in Multiple Occupation (HMOs).....	33
<b>SUPPLEMENTARY PLANNING GUIDANCE (SPG)</b> .....	<b>34</b>
<b>Purpose of SPG</b> .....	<b>34</b>
<b>Role of SPG</b> .....	<b>34</b>
<b>Use of SPG</b> .....	<b>35</b>
<b>Scope of SPG</b> .....	<b>35</b>
<b>Status of SPG</b> .....	<b>36</b>
<b>Adding weight to SPG</b> .....	<b>37</b>
Style .....	38
Language.....	38
Evidence.....	39
Impact.....	40
Exceptions in SPG .....	40
Consultation re SPG .....	43
Examination process.....	46
<b>How to make SPG strong enough to win an appeal</b> .....	<b>47</b>
CASE STUDY - Swansea Council – Use of LDP policy and SPG in Appeal Decisions re HMO applications..	49
SUMMARY - How to Ensure Strong SPG:.....	50
<b>Publicising SPG</b> .....	<b>50</b>
<b>Up to date SPG</b> .....	<b>51</b>
<b>Future Proofing SPG</b> .....	<b>52</b>
<b>New SPG</b> .....	<b>52</b>
<b>Good Practice SPG</b> .....	<b>53</b>
<b>Good Practice SPG - examples</b> .....	<b>54</b>

---

Bristol Council’s Trees SPG .....	54
Cornwall Council’s Biodiversity SPG .....	55
Climate Change SPG .....	55
Monmouthshire Council’s Green Infrastructure SPG.....	55
Swansea Council’s Placemaking SPG – Street Trees.....	56
Swansea Council’s Houses in Multiple Occupation and Purpose-Built Student Accommodation SPG.....	57
CASE STUDY - Cardiff Council’s Houses in Multiple Occupation – LDP Policy and SPG.....	59
Good Practice identified by internet searches .....	60
<b>OTHER .....</b>	<b>61</b>
<b>Other Planning Tools .....</b>	<b>61</b>
<b>Annual Monitoring LDP.....</b>	<b>61</b>
<b>Regional SDP and LDP relationship.....</b>	<b>62</b>
<b>CARDIFF COUNCIL PLANNING OFFICERS VIEWS .....</b>	<b>63</b>
<b>APPROACH TAKEN .....</b>	<b>65</b>
<b>FINANCIAL IMPLICATIONS .....</b>	<b>66</b>
<b>LEGAL IMPLICATIONS .....</b>	<b>66</b>
<b>COMMITTEE TERMS OF REFERENCE .....</b>	<b>68</b>
Appendix 1.....	70

## FOREWORD

*The Replacement Local Development Plan process includes a review of existing Supplementary Planning Guidance (SPG) and looks to see if new SPG is needed. It struck Members that now would be an ideal time to examine when and how to use SPG and, critically, how to strengthen SPG.*

*In addition, Members are aware that some other local authorities in Wales have reviewed their Local Development Plan policies and SPGs, resulting in a greater success rate at planning appeals; we were interested to understand how they had achieved this.*

*We also wanted to hear from key stakeholders and local organisations that have a keen interest in planning, to understand their perspective and to benefit from their knowledge.*

*I want to place on record our thanks to all those who attended our Inquiry and/ or submitted evidence, sharing good practice from elsewhere and their own thoughts and expertise. We have used this evidence to identify our findings and formulate our recommendations, which aim to strengthen future LDP policies and SPG.*

*My thanks to Councillor Lancaster who has been on the task group throughout and to previous Councillors Ramesh Patel and Emma Sandrey, both of whom contributed significantly to the evidence – gathering phase of this Inquiry.*



**Cllr Wong**  
Chair – SPG Inquiry



Cllr Lancaster



Cllr Patel  
(Previous Chair of Inquiry)



Cllr Sandrey

**October 2022**

## TERMS OF REFERENCE

**1. To explore planning policy in Wales to understand when to use Supplementary Planning Guidance by:**

- Examining the relationship between the Replacement Local Development Plan, Supplementary Planning Guidance (SPG), and other planning policy tools, such as Technical Guidance Notes and Planning Advice Notes.
- Understanding which planning policy tool is most appropriate to use when.
- Investigating when SPG can be used to inform adopted LDP policies, and the timescales involved
- Considering the “weight” to be afforded to SPG against adopted LDP policies.

**2. To explore planning policy in Wales to understand how to use Supplementary Planning Guidance by:**

- Considering what is needed in the Replacement Local Development Plan to ensure it contains the policy ‘hooks’ required to enable SPG to pass Planning Inspectorate Wales tests
- Considering whether new SPG’s fall into the following three categories:
  - Design Guidance
  - Area Briefs/Masterplans
  - Development Management Policy notes
- Researching useful good practice examples in Wales and in England where these are capable of being replicated in Cardiff, including how these were successfully implemented and used.
- Identifying any areas of Welsh planning system that prevent use of good practice English SPG.



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## HEADLINE FINDINGS

- HF1. Planning in Wales is plan-led, with local authorities required to adopt a local development plan (LDP). Crucially, planning legislation confers special status to development plan policy but not to Supplementary Planning Guidance (SPG). SPG therefore does not have the same status in law as a LDP but is a material consideration and can be afforded significant weight when considering development proposals.
- HF2. The “Development Plan” including the National Plan and LDP are the primary bases upon which planning decisions are made. Therefore, it is important that the LDP contains evidence-based, precisely written policies, detailing the Council’s specific requirements on areas that are important to the Council for shaping developments, the rationale for these, and the criteria where the Council will make an exception and not apply the policy. The strength of the LDP in encompassing these contribute significantly to whether Planning Inspectorate Wales support planning decisions on appeal.
- HF3. SPG supplements policy in the LDP – it cannot be used to make or amend policy but only to provide further technical guidance to support existing LDP policy. The LDP has to cover a large amount of policy areas and so cannot provide all the detailed technical information needed to implement LDP policies. SPG can be used to help guide decision makers and developers on how to achieve the objectives of the LDP policy. For SPG to be effective, there needs to be an effective LDP and the SPG needs to be both strong and strongly linked to the LDP.
- HF4. To be effective, the LDP must conform to national planning policy (including the National Plan, Planning Policy Wales, Technical Advice Notes and other circulars and statutory instruments), be evidence-based, have policies that set out clearly what the Council wants to achieve and the scale and type of development, be precisely worded with detailed definitions, contain thresholds, numbers, percentages, targets and measures as relevant, set out the impact seeking to avoid and consequences if not avoided, and detail exceptional circumstances. These specifics and evidence will be subject to examination by the Planning Environment Decisions Wales inspectorate as part of the LDP examination. Once the LDP policies are adopted, they will carry the weight of the LDP and enable

planning decisions, which have to be made in accordance with adopted development plan policies.

HF5. For SPG to be strong, it must state which LDP policy and paragraph it is supplementing and that it is a material consideration. It should use positive, precise language and phraseology, be as concise as possible whilst remaining fit for purpose, evidence and explain how thresholds, numbers, percentages, targets, and measures are calculated, evidence and explain how the impact seeking to avoid is measured and how the consequences of not avoiding impact, the harms arising, are measured, and provide details on exceptional circumstances and how these are worked out and applied. In addition, Councils must take SPG through the approved process, including consultation, and should formally approve SPG at a meeting of full Council. Cardiff Council planning officers highlighted that the ‘weight’ to be applied to SPG can vary depending on its relevance to the issue, the amount of consultation undertaken, the level of governance in approving the guidance and other planning factors.

HF6. It cannot be stressed enough how important it is to have appropriate hooks and strong linkages between the LDP and SPG. This can be achieved by having a clear policy in the LDP for those areas where the Council knows it wants to have an SPG, by stating upfront and clearly in the SPG which LDP policy the SPG supplements, and by using positive language in the SPG, such as the SPG is a material consideration.

HF7. This Inquiry heard from the Planning and Environment Decision Wales witnesses that the Planning system is not designed for absolute ‘*thou shalt not ever*’ policies – it is designed to enable shades of grey so decision makers can take into account the different factors that affect a particular development.

## KEY FINDINGS

### Local Development Plan

#### **Scope of LDP**

KF1. LDPs must have regard to national planning policy and take an evidence-based policy approach to address local issues. In Cardiff, the LDP will need to contain policies to cover

the breadth and complexity of Cardiff's planning landscape, ranging from urban areas, river corridors and woodland areas to post-industrial landscapes.

KF2. Cardiff Council needs to think carefully about what it seeks to achieve and how best to reach this, so that LDP policies are clear and do not cause unintended harms. It needs to make careful decisions on which policy areas to include in the LDP, including whether new policies are needed, for example a tall buildings policy.

KF3. This Inquiry heard that it is important LDP policies embed tackling the climate change and biodiversity crises and enable the achievement of Cardiff being a Carbon Neutral City by 2030.

#### ***Language in LDP***

KF4. This Inquiry heard that it is important the language used in LDP policies is precise, with proper definitions, specified targets and measures. General statements and vague wording must be avoided. Whilst the LDP is meant to be a fairly slim document, it must contain enough detail for policies and SPG to stick, without becoming too lengthy and unwieldy.

#### ***Evidence in LDP***

KF5. LDP policy must be evidence based – it is essential the Council has evidence to support policy requirements, such as thresholds, numbers, and percentages, and evidence of the harms the policy is seeking to avoid and the impact that will result if these harms are not avoided.

#### ***Exceptions in LDP***

KF6. It is important for LDP policy to set out exceptional circumstances/ criteria where the local planning authority may depart from the principles of the policy, where this is in the over-riding interest. This gives decision makers clarity and flexibility in specific circumstances.

#### ***LDP Preparation***

KF7. The LDP preparation process is set out in legislation and includes the need to involve local stakeholders and local populations. Producing an LDP is expected to take 3-4 years and is agreed with the Welsh Government through the preparation of a 'Delivery Agreement'.

KF8. The LDP preparation process includes examination by the Planning Environment Decisions Wales inspectorate. Their examination tests whether there has been sufficient consultation and whether there is a robust evidence base for policies.

KF9. This Inquiry heard that Planning Inspectors are encouraged to say, during the examination stage, if a policy needs tightening to achieve the LDP's stated aims.

***Updating LDP – responding to emergencies***

KF10. The Inquiry heard concerns that the LDP process does not allow for rapid response to emerging challenges, such as the biodiversity, nature and climate emergencies and the Covid-19 pandemic.

KF11. Members believe that, as the replacement LDP Vision includes ensuring Cardiff is carbon-neutral by 2030, the replacement LDP will need to embed tackling the climate change, nature, and biodiversity crises. However, Members recognise the challenges posed by the need to respond appropriately and quickly to as yet unknown crises. Members believe the short-term review process, set out below, provides a mechanism to address this.

KF12. Local authorities can carry out a short-term review if they find that a policy is not delivering as intended. These reviews take close to 2 years to complete and require the Planning Environment Decisions Wales inspectorate to schedule inspector time to look at the review.

KF13. Witnesses from the Planning Environment Decisions Wales inspectorate commented that, as Cardiff is underway with its replacement LDP, it is not worthwhile carrying out a short-term review currently, unless something is felt to be a major issue.

## Supplementary Planning Guidance

***Status and Weight of SPG***

KF14. Supplementary Planning Guidance (SPG) derives from LDP policy, which provides the substantive intended policy, the 'hook.' SPG does not have the same status as the LDP in

law due to the way the legislation has been drafted. SPG is a material consideration but is not enforceable.

KF15. The English planning system enables Supplementary Planning Documents (SPD) to be taken as part of the Local Plan document and thus be part of the statutory process and examined. This gives these SPD added weight. There is no similar provision in Wales.

KF16. During his evidence to the Inquiry, Dr Harris, Cardiff University, raised the possibility that, in the absence of a similar system to England, an independent review of SPG may add weight to SPG. This approach has not been tested or substantiated in Wales.

### **Scope of SPG**

KF17. SPG helps guide decision makers and developers on how they might achieve the aim of the LDP policy, how the policy is going to be interpreted, and how to implement LDP policy. They provide technical guidance, design parameters and minimum/ maximum standards, for example for parking, floorspace etc., and can be site specific masterplans, area-based guidance, design guidance or development management policy notes. SPG should set out the mechanism by which thresholds, numbers and percentages are calculated, and provide detail on harm(s) seeking to avoid and the impact if these harms are not avoided, and exceptional circumstances. SPG can only provide additional advice and guidance and cannot contain the criteria for deciding planning applications upfront.

KF18. Whilst SPG derives from LDP policy, this Inquiry heard that SPG needs to be kept relevant, within the bounds of the LDP policy, for example by:

- i. updating SPG to reflect changes in the legislative, policy and local government landscape
- ii. ensuring SPG are future-proofed and address the Climate and Nature emergencies
- iii. introducing new SPG as needed, such as for tall buildings and conservation of historic buildings.

### **Style of SPG**

KF19. This Inquiry heard that SPG should be as concise as possible whilst remaining fit for purpose. They should use positive, precise language and:

- Cite LDP policy and paragraph upfront
- State SPG is a material consideration

- Be clear and unambiguous re what the Council is expecting
- Use positive phraseology, such as '*expectations of local authority*' and '*basis for negotiations*'
- Contain evidence for thresholds, numbers, percentages
- Contain details of the harm(s) the SPG is seeking to avoid and the implications if harm(s) is not avoided
- Contain details of exceptional circumstances
- Not state '*this is a non-statutory document.*'

KF20. This Inquiry heard that the phraseology and content of SPG can be strengthened by using an iterative consultation process that enables stakeholders and the general public to work with the Council to suggest improvements and tighten wording.

### ***Exceptional circumstances in SPG***

KF21. This Inquiry heard from the Planning and Environment Decisions Wales inspectorate witnesses that the planning system is not designed to be prescriptive, and there has to be some flexibility to enable decision makers to apply judgement within the context of the LDP vision and objectives.

KF22. To provide a framework for flexibility, the LDP and SPG need to provide clear advice on the exceptional circumstances where the usual LDP and SPG expectations will be disappplied in the over-riding interest. Providing detail in the SPG on exceptional circumstances gives decision makers clarity on when flexibility is required, when the impacts the SPG seeks to avoid are outweighed by the individual circumstances. Cardiff Council planning officers added that each development proposal has to be considered on its own merits, having regard to all factors and with planning officers having the consider the 'planning balance' in the public interest.

KF23. The SPG should provide details on the exceptional circumstances, the evidence to support these, the calculations that will be used to reach a decision where exceptions relate to thresholds, numbers or percentages, and the way in which the Council will approach the exceptional circumstance.

**Strong SPG**

KF24. This Inquiry expressly sought the views of witnesses on how to strengthen SPG and, specifically, how to ensure they are strong enough to withstand appeals against local Planning Committee decisions that rely on SPG.

KF25. The Inquiry heard that Planning Inspectors will give considerable weight to SPG where:

- i. it complies with national planning policy
- ii. it is clearly linked to the substantive policy within the LDP
- iii. it has been subject to public consultation, and
- iv. it has been approved by Council as supplementary planning guidance.

KF26. This Inquiry heard that the following factors also strengthen SPG:

- i. positive phraseology
- ii. clearly stating the impact they seek to avoid and the implications if this impact is not avoided
- iii. evidencing specifics in the SPG such as thresholds, numbers, and percentages, harms avoiding and the impact if these harms are not avoided, and
- iv. providing details of exceptional circumstances.

KF27. Swansea Council provided the Inquiry with examples of cases where the Planning Inspector upheld decisions in favour of the local planning authority, following strengthening of their LDP policy and SPG for Houses in Multiple Occupation (HMOs).

KF28. Dr Harris, Cardiff University, mooted the possibility of consulting on critical SPG in parallel with LDP, so that these SPG go through the same process as the LDP and thereby draw weight from this. Witnesses from the Planning and Environment Decisions Wales inspectorate commented that they could see the advantages to this. However, both Dr Harris and witnesses from the Planning and Environment Decision Wales inspectorate highlighted that this would be resource intensive, as it would require officers to draft LDP policy and SPG in the same timeframe, and therefore there may be capacity issues that prevent this taking place. However due to the way the current legislation has been drafted, planning legislation only confers special status to development plan policy and not to Supplementary Planning Guidance (SPG).

### **Identifying SPG**

KF29. Cardiff Council planning officers highlighted that, in their view, there is merit in identifying where future SPG will be required at an early stage in the replacement local development plan preparation and consulting on this. They added that work on the evidence base could then be used to inform new SPG quicker following adoption of the Plan. Likewise, existing SPG that remain fit for purpose could be brought forward quicker in early tranches on SPG preparation.

### **Consultation on SPG**

KF30. The Inquiry heard that SPG must be consulted on and that the Council needs to set out how they have assessed representations, responded to these and whether they have made resultant changes to the SPG. As SPG derives from LDP policy, it is essential to ensure LDP consultation is right, so that the LDP is robust, passes examination and is adopted.

KF31. The Inquiry heard conflicting views on SPG consultation in Cardiff, to date. Dr Harris commented that he could see, on Cardiff Council's website, that SPG have been consulted on, that representations have been assessed and responded to, and that SPG have been approved by Council resolution. However, Cardiff Civic Society wanted to see a more expansive consultation, as they felt examples and suggestions made by themselves and other stakeholders had not been taken on board. Cardiff Council planning officers explained to the Inquiry that consultation listens to a variety of views, sometimes conflicting views, and that reasons are given for amendments; however, it is not possible to take on board everyone's, sometimes conflicting, views. They emphasised that SPG include appendices to identify the consultation responses and the actions/ changes made following consultation, which helps add 'weight' as does the fact the Council consults for a reasonable period, publicises this consultation and seeks to approve SPG through Cabinet and Full Council.

KF32. Cardiff Future Wellbeing Alliance witnesses emphasised the replacement LDP and SPG consultation process is a real opportunity to engage, educate, increase understanding, and build trust in the planning process. They highlighted the need for engagement and an iterative process, to seek views once citizens know more about the planning system, rather than the current, periodic consultation exercise. Cardiff Council planning officers stated that they appreciated the point made, adding that the consultation



process is governed by legislation with national guidance the Council needs to follow. They added that they have made concerted efforts to amplify community voices, including children and young people, throughout the replacement local development plan process.

### **Ensuring SPG are Accessible**

KF33. This Inquiry heard from several witnesses that there is a need to ensure the accessibility of SPG by:

- i. Including all SPG on a specific section of the Council's website
- ii. Ensuring the status of SPG is clear
- iii. Replacing draft SPG with approved SPG
- iv. Providing a table of proposed SPG, clearly stating where these later morph into other planning tools, such as Technical Guidance Notes
- v. Ensuring documents are capable of being downloaded onto mobile devices without compromising their usability.

KF34. Cardiff Council planning officers explained that there is a section on the Council's website for SPGs, with a list of approved SPGs, a page for draft SPGs for consultation, and a list of related Technical Guidance Notes. They stressed the need for Council website documents to meet the accessibility regulations that apply to public sector bodies<sup>1</sup>.

### **Good Practice SPG**

KF35. Members undertaking this Inquiry were keen to find good practice SPG to illustrate the points made about how and when to use SPG effectively. They sought the advice of the Planning and Environment Decisions Wales inspectorate officers and were advised that:

- a. in general, the best LDP and SPG are the simplest.
- b. whilst policies in England and Wales are diverging, the principles and mechanisms of the planning systems are the same and there is no harm in looking for good practice SPG examples in England.

KF36. Members also heard, from Cardiff Civic Society, that, given the range of SPG in England and Wales, it is essential for the Council to be clear what it is aiming to achieve so that relevant good practice examples are selected.

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<sup>1</sup> Public Sector Bodies (Websites and Mobile Applications) (No. 2) Accessibility Regulations 2018

KF37. Bearing this advice in mind, the Inquiry sought witnesses' views on good practice SPG relating to biodiversity, climate change, and sustainability – given the LDP Vision aims to be carbon-neutral by 2030 and to tackle the climate and nature emergencies - and Houses in Multiple Occupation (HMO) and Purpose-Built Student Accommodation (PBSA) – as Members are aware of issues in Cardiff relating to these areas. The body of this report cites the following good practice examples:

- a. Bath & North-East Somerset Council – Houses in Multiple Occupation SPD
- b. Bristol Council – Climate Change SPG
- c. Bristol Council – Trees SPG
- d. Cornwall Council – Biodiversity SPG
- e. Monmouthshire Council - Green Infrastructure SPG
- f. Newcastle City Council – Sustainability Statements Planning Process Note
- g. Public Health Wales – Healthy Weight Environment SPG template
- h. Swansea Council – Biodiversity and Development SPG
- i. Swansea Council – Houses in Multiple Occupation and Purpose-Built Student Accommodation SPG
- j. Swansea Council – Placemaking - Street Trees SPG
- k. Swansea Council – Trees, Hedgerows and Woodlands SPG
- l. Woking Council – Climate Change SPG.

## Other

### ***Other planning tools***

KF38. This Inquiry heard that, whilst there are other planning tools alongside the LDP, none of these carry more weight than SPG. Tony Thickett, Deputy Chief Planning Inspector, stated Councils can prepare what they like and call it what they like but they need to get it approved as SPG for it to have as much weight as possible. Additionally, the SPG must have a strong linkage to an existing substantive policy within the LDP.

### ***Annual Monitoring Report (AMR)***

KF39. Councils are required to produce an annual monitoring report that sets out progress in delivering the LDP policy objectives and highlights issues with SPG. This Inquiry heard that Cardiff Council's 5<sup>th</sup> AMR does not highlight concerns re SPG, stating that most SPG are working as intended. Members of the Inquiry were aware that the LDP Review, March 2021, identified, at point 3.36, '*the issue of sub-divisions/ conversions into HMOs and flats*

*is a matter which is considered to warrant a detailed analysis in response to concerns regarding the cumulative impact of proposals on local communities and amenity considerations of occupiers and neighbours. Whilst additional SPG has been prepared, appeal decisions are not always supporting the Council's position, so a review is considered timely.* Members therefore concluded that the Annual Monitoring Report required strengthening, to make it clearer to readers the areas needing actions to address deficiencies, perhaps by highlighting these and including an action plan, with steps to address these deficiencies.

### **Regional Strategic Development Plans (SDP)**

KF40. In the future, Wales's planning system will have three tiers – the national tier set out in Future Wales, the regional tier set out in SDPs and the local tier set out in LDPs.

KF41. As yet, there is no guidance or framework regarding SDPs, although Welsh Government are currently consulting on SDP preparation. Members heard that concerns have been raised that the resources required to prepare SDPs will impact on the preparation of local authority SPG as local authority staff may be called on to draft the SDP. It may also be possible that the SDPs themselves require SPG; this is still to be determined.

### **Role of Council**

KF42. Over the course of this Inquiry, it has become clear that it is essential for the Council to:

- a. Think through what outcomes it wants to achieve and whether this is best achieved via LDP policy or other mechanisms
- b. Consider carefully whether proposed LDP policies may result in unintended harms
- c. Think carefully about which policies to include in the LDP and what SPG is required
- d. Think carefully about what information needs to go into the LDP policy and what information can be deferred to SPG, using good practice examples to assist consideration
- e. Ensure SPG are able to be linked to specific policies in LDP
- f. Ensure SPG are up to date, reflect climate and nature emergencies, and address issues that have grown in importance since the last LDP, such as tall buildings and conserving historic buildings, post-pandemic recovery, cost of living crises, homelessness and affordable housing
- g. Consider whether to consult on some SPG in parallel to LDP
- h. Examine how to ensure an accessible and inclusive consultation and engagement process for LDP policies and SPG, in line with legislation and national guidance
- i. Assess how best to publicise SPG, for example by ensuring SPG are accessible.

## RECOMMENDATIONS

This Inquiry sought to understand how and when to use Supplementary Planning Guidance (SPG) and how to strengthen planning policy to ensure SPG is robust. Having considered the evidence to this Inquiry, the Environmental Scrutiny Committee makes the following recommendations to ensure the replacement Local Development Plan process establishes strong foundations for required SPG and that future SPG are fit for purpose.

- R1. *Members recommend that Cabinet task officers to identify opportunities to seek views from the public and stakeholders on existing SPG and the need for new SPG, as early as possible in the replacement LDP process.*
- R2. *Members recommend that Cabinet task officers to use Headline Findings 1 to 7 and Key Finding 14 to Key Finding 37 when reviewing existing SPG and drafting new SPG, as part of the replacement Local Development Plan process, to ensure future SPG is fit for purpose.*
- R3. *Members recommend that Cabinet task officers, as part of the replacement Local Development Plan process, to gather and collate the evidence required to support LDP policy and associated SPG, including evidence of any harms these seek to avoid and evidence of the implications if these harms are not avoided.*
- R4. *Members recommend that Cabinet task officers, as part of the replacement Local Development Plan process, to review the findings of this Inquiry with regard to Houses in Multiple Occupation SPG, identify aspects that will assist Cardiff Council (including collating evidence of harm) to strengthen its LDP policy and SPG re Houses in Multiple Occupation and flat conversions, and build these into relevant draft SPG for consultation.*
- R5. *Members recommend that Cabinet task Planning Officers to meet with local members on specific issues/ hot topics that impact their wards to help inform the review of current SPG, and support the collation of evidence, as part of the replacement Local Development Plan process.*
- R6. *Members recommend that Cabinet task Planning Officers to analyse and regularly publish data on the number of successful and unsuccessful appeals at Planning and*

*Environment Decisions Wales (PEDW), in regard to Cardiff SPG, to inform where SPG are effective/ ineffective, to commence by 31 March 2023.*

- R7. Members recommend that Cabinet task officers to use Headline Findings 1 to 7 and Key Finding 1 to Key Finding 6 when reviewing existing LDP policies and drafting new LDP policies, as part of the replacement Local Development Plan process, to ensure future LDP policies are fit for purpose and provide the hooks and linkages between the LDP and SPG.*
- R8. Members recommend that Cabinet task planning officers to work with web content officers to ensure SPG on the Council's website is accessible on portable devices, is clearly labelled as either draft or approved, and is the latest version available, by 31 March 2023.*
- R9. Members recommend that Cabinet task officers to strengthen future Annual Monitoring Reports, by highlighting any areas requiring work to address deficiencies and including an action plan detailing the steps to achieve this.*

During the course of this Inquiry, Members reflected that much of what they had learned about the LDP and SPG, the interface between them and their essential nature, was new to them, despite having attended internal Cardiff Council training on planning. Members believe that this knowledge gap exists for other Members as well and believe it would benefit Cardiff Council for this to be addressed, enabling Members to better focus their enquiries. Therefore:

- R10. Members recommend that Cabinet task officers to arrange external training for new and existing Members on the areas covered by this Inquiry, by the end of March 2023.*
- R11. Members recommend that Cabinet consider whether there is a need to offer Member training on specific issues/ hot topics prior to the adoption of the replacement Local Development Plan.*

There are likely to be a number of either new or amended SPG following adoption of the replacement Local Development Plan. Members recognise effective scrutiny of SPG is crucial and that the findings of the Inquiry are useful to assist this. Therefore:

*R12. Members recommend that Cabinet task the Head of Democratic Services to use the findings of this Inquiry to prepare a checklist for scrutiny committees to use when undertaking future scrutiny of SPG.*

## OVERALL CONTEXT

1. Supplementary Planning Guidance (SPG) is precisely that – it *supplements* existing policy in the Local Development Plan (LDP), to help *guide* decision makers and developers on how to achieve the LDP policy.
2. The LDP is the primary basis on which planning application decisions are made. It is essential that policy areas that are important to a Council for shaping development are written into the LDP, with the necessary level of detail.
3. SPG are not crucial to planning application decisions – they are a material consideration but the policy which they amplify must already exist in the LDP. SPG cannot be used to set or amend policy – the policy has to be in the LDP.
4. In order to have effective SPG, a Council must have an effective LDP.
5. LDPs have to fit with the legislative framework for Wales and the national planning policy set by Welsh Government. Otherwise, they will be deemed unsound by the Planning Inspectorate, meaning they cannot be adopted by the local authority and implemented.

## PLANNING IN WALES - BACKGROUND

6. The planning system in Wales is ‘plan-led,’ which ‘*means that national and local planning policy is set out in formal development plans which describe what developments should and should not get planning permission, how land should be protected and seeks to ensure a balance between development and environmental protection in the public interest.*’<sup>2</sup> These plans include Planning Policy Wales and the National Development Framework at a Welsh Government level, and Local Development Plans at a local authority level.
7. These plans need to fit with the legislative framework for planning in Wales, provided by the following:

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<sup>2</sup> ‘*Comparison of the planning systems in the four UK countries*’ January 2016 – National Assembly for Wales Research Paper

Specific Planning Acts

- Town and Country Planning Act 1990
- Planning and Compulsory Purchase Act 2004
- Planning Act 2008
- Planning (Wales) Act 2015

Overarching legislation

- Wellbeing of Future Generations (Wales) Act 2015
- Environment (Wales) Act 2016
- Historic Environment (Wales) Act 2016
- Public Health (Wales) Act 2017

8. The Welsh Government's Planning Policy Wales (PPW) sets the context for planning in Wales, including the context for Local Development Plans and, therefore, Supplementary Planning Guidance. PPW is updated as required, following consultation, with the latest edition issued as an online document only. It is supplemented by technical advice notes, circulars, and policy clarification letters.
9. The Welsh Government's Minerals Planning Policy Wales provides the planning policy framework for mineral extraction and related development and their Natural Resources Policy sets out the need to deliver nature-based solutions, increase renewable energy and resource efficiency, and take a place-based approach.
10. The Welsh Government has issued 24 Technical Advice Notes (TANs) to provide detailed guidance on specific areas, and 2 Minerals Technical Advice Notes (MTANs).
11. The Welsh Government's National Development Framework (NDF) sets out national spatial planning policies and Local Development Plans must take the NDF into account. It is known as 'Future Wales: The National Plan 2040'.
12. The Planning (Wales) Act 2015 set out provision for regional development plans, known as Strategic Development Plans (SDPs). The aim is to deal more effectively with cross-boundary issues and achieve better planning outcomes. The new Corporate Joint



Committees are responsible for developing these. The development process mirrors the LDP process. Cardiff is in the South-East Wales strategic planning area.

13. The Welsh Government Building Better Places guidance was produced to assist recovery after the Covid-19 pandemic. The guidance promotes a placemaking approach that is people-focused and environment-led and states that the need for economic recovery should not be at the expense of quality, both in terms of health and well-being and in response to the climate and nature emergencies. The Welsh Government has also issued a Welsh National Marine Plan and Prosperity for All: A Low Carbon Wales.

## LOCAL DEVELOPMENT PLANS

14. The Planning and Compulsory Purchase Act 2004 introduced a statutory requirement for each Local Planning Authority to produce an LDP that sets out proposals and policies for the future use of all local land, covering a period of 10-15 years. Once an SDP is in place, the Local Planning Authority will only be required to produce a 'light' version of an LDP for its area.
15. The Vice-Chair of the Planning Officers Society Wales, Tom Evans, explained to the Inquiry that Planning Act legislation confers special status to development plan policy (LDP) but not to planning guidance (SPG). Planning decisions must be made in accordance with planning legislation, in accordance with Future Wales and in accordance with adopted Local Development Plans.
16. Dr Harris, Senior Lecturer in Planning, Cardiff University, explained to the Inquiry that in the Welsh planning system, SPG is supplementary guidance as the name states, so therefore they are not crucial to planning application decisions: anything that Members really want planning decisions to hang on needs to have a policy in the LDP. So, **it is not just a case of thinking how to strengthen SPG: a Council needs to have a strong LDP, this is crucial – it is a matter of how the LDP forms the substantive policy as hooks for SPG.**
17. Members therefore sought to understand how best to frame and word an LDP to ensure that it is strong and forms strong hooks for SPG. Members explored the following topics:

scope and length of LDPs; witnesses' views on how to ensure a strong LDP, with strong hooks; and how to update an LDP.

### **Scope of LDP**

18. The Vice-Chair of the Planning Officers Society Wales, Tom Evans, explained that LDPs must have regard to national planning policy, set out in Future Wales. Members also heard that the LDP must have regard to the SDP when it is produced. The technical term used is '*general conformity*.'
19. The Chief Inspector of Planning, Victoria Robinson, explained that LDPs address the issues that face their specific area and, therefore, LDPs across Wales will be different because of differences in local issues and the evidence that supports these policies e.g., Cardiff and Swansea will have issues with HMOs (*Houses in Multiple Occupation*) and PBSAs (*Purpose Built Student Accommodation*) and local evidence for this whereas Carmarthenshire would not, whilst other areas may have issues with barn conversions, for example, and also affordable housing levels will vary across Wales – there is no '*one size fits all*' for planning policy, it is not black or white, it's all about degrees.
20. In terms of the issues facing an area, it is important for a Council to think through what it wants to achieve and how best to reach this. The Vice-Chair of the Planning Officers Society Wales, Tom Evans, explained that LDP policies need to be clear about what they want to achieve, the scale and type of development – this has to be in the LDP as it is fundamental, it cannot be left to SPG to describe this.
21. In their written contribution, the Design Commission for Wales stated that strong general policies need to be included within the LDP that can be given more detail or specific application within SPG. They added that the topics of SPG should be established now so they can be linked to specific policies within the LDP, and reference should be made to SPG within the LDP.
22. The Deputy Chief Inspector of Planning, Tony Thickett, highlighted that it is important for Councils to think through the consequences of policies – intended and unintended consequences – to ensure that policies do not cause harm. He gave an example from Leeds, where their local plan included a proposed policy to refuse any further HMO

applications in Headingley – a student area. At the public sessions that are part of the examination process, Tony heard from an old man, who was in tears because this would mean he would not be able to sell his property – his was the last property in his street that was not a student house and the only people who would want to buy it would be people wanting to convert it into an HMO. This was an unintended consequence of the proposed policy and Leeds Council relented, as it had not wished to cause harm but to prevent harm. This illustrates the importance of thinking through what it is the Council wants to achieve and how best to reach this. Tony Thickett emphasised it is important for Councils to think through the potential consequences of ‘absolutes.’

23. Both Cardiff Civic Society and Cardiff Future Wellbeing Alliance highlighted that the One Planet Cardiff strategy and commitment that Cardiff will be a Carbon Neutral City by 2030 will require LDP policies to embed this across the LDP, to ensure the climate change and biodiversity crises are addressed. They highlighted the LDP is critical to the success of achieving these stated aims.

*‘Dovetailing the One Planet Cardiff strategy with the LDP is critical – if do not get this right, then One Planet Cardiff will fail.’*

*Clare James*

*‘Consultation has resulted in one big change being made to the draft Vision & Objectives and that is to include ‘Cardiff will be a Carbon Neutral City by 2030’ – this will be a huge task to build this into LDP policies, a big challenge.’*

*Lyn Eynon*

24. The Welsh Government LDP Development Manual<sup>3</sup> sets out the following regarding the scope of LDPs:

A plan will contain the strategy, policies, and allocations to address the key issues, based on robust evidence. It will shape and guide development proposals to sustainable locations, delivering the scale and type of growth and well-being required over the plan period. A plan will demonstrate how it delivers the National Sustainable Placemaking Outcomes, that development is deliverable, financially viable, phased and supported by infrastructure. LDPs will support consistent decision making across Wales.

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<sup>3</sup> The Welsh Government manual for developing a local development plan is available online at: [development-plans-manual-edition-3-march-2020.pdf \(gov.wales\)](https://gov.wales/development-plans-manual-edition-3-march-2020.pdf) Downloaded 30/11/21

### ***Length of LDP***

25. The Deputy Chief Inspector of Planning, Tony Thickett, explained that the LDP is meant to be a fairly slim document, with the additional detail in SPG; a Council cannot put all the detail in an LDP as it would end up with a lengthy, unwieldy plan, so it needs to delegate to guidance how policy should be interpreted.
26. Members queried how Councils ensure that the LDP is detailed enough without it becoming too lengthy, particularly as the Inquiry was being advised that Councils need to put the right amount of detail in their LDP and cannot just include it in SPG. The Deputy Chief Inspector of Planning, Tony Thickett, explained that it is important the LDP include thresholds or numbers or percentages, and that the LDP policy says what the aim is. He highlighted that **it is far stronger to put the threshold in the LDP**. He cited Swansea's HMO policy which has the threshold in the LDP and also has exceptions criteria. So, Swansea's HMO approach carries the weight of the LDP, whereas Cardiff's SPG does not carry the same weight as the thresholds are not in the LDP.
27. Dr Harris, Senior Lecturer in Planning, Cardiff University, stated that it is a question of '*what is the detail?*' If something is not in the LDP, it will not have the same weight. Therefore, Councils need to make careful decisions re what is in the LDP and what is not in the LDP – a policy for any eventuality will lead to an unworkable length but Councils need to create space in LDP for a bit more detail.
28. Members concluded that LDPs need to be detailed enough for policies and SPG to stick without becoming too lengthy and unwieldy.

### ***How to ensure a strong LDP***

29. The Inquiry sought the views of witnesses on how to ensure a strong LDP and heard that the following elements are key: language; evidence; exceptions; and process.

#### ***Language***

30. Lyn Eynon, Cardiff Civic Society highlighted the need for Cardiff Council to tighten up the language in the LDP, calling for the replacement LDP to have precisely worded policies, with specifics such as targets and measures, rather than general statements and phrases. He stated that '*Compared to Swansea, Cardiff's LDP has no number or*

*specifics, for example Policy H.5 - sub-divisions & conversions of residential properties – has very general statements and phrases, such as ‘no material harm to amenity of nearby residences’ which means it does not have the precision of Swansea’s LDP. So, Swansea’s LDP is well-defined unlike Cardiff’s, which is not well-defined and therefore it is hard to prove whether an exception or not. Cardiff needs to put more precise detail into its LDP.’*

31. Following his meeting with the Inquiry, Lyn Eynon emailed scrutiny services to add to the above, highlighting his concern that developers are using viability claims to evade the LDP affordable housing policy:

*‘One of my observations was on how loose language in the LDP was allowing developers to evade the spirit of the LDP because they could not be pinned down on the letter of it... Policy H3 on Affordable Housing is repeatedly evaded by developers through viability claims permitted under paragraph 5.11, as recently happened on Guildford Crescent. A paragraph in the Planning Statement for a current application 22/00415/MJR signals that this will be done again for this large development of 331 flats. The policy seeks 20% affordable housing on brownfield sites that meet the identified criteria. It notes that affordable housing will be sought to be delivered on-site unless there are exceptional circumstances. The supporting text (Paragraph 5.11) confirms that in negotiating affordable housing, each proposal’s actual contribution will depend on that scheme’s capacity for provision. This is to ensure that the affordable housing contribution in itself will not make a scheme unviable. I would be grateful if you could pass this on to the Scrutiny Task and Finish team, as viability claims are making LDP Policy impossible to enforce.’*

32. Cardiff Future Wellbeing Alliance witnesses stressed that the LDP needs to be tighter on environmental issues. They stated that the LDP could be made stronger by introducing clear targets and measures and then having an SPG that explains the ‘how.’
33. The Deputy Chief Inspector of Planning, Tony Thickett, explained that Councils need to think about what the objective is they are seeking and ensure there are proper definitions with enough detail. He gave a theoretical example of a local authority having very vague wording such as ‘we like things that are nice-looking’ – that is a valid aim but there is no detail, nothing about how that is to be achieved, or what it means.

34. The Welsh Government LDP Development Manual<sup>4</sup> sets out the following regarding LDPs being clear and succinct:

An LDP should be focussed, succinct and relevant to the key issues it is seeking to address. An LDP should not repeat national policy. Plans should not be a compendium of policies to cover every eventuality. Succinct LDPs should use plain language, avoid jargon, be accessible to the reader and enable effective plan review and revision.

**Evidence**

35. The Deputy Chief Inspector of Planning, Tony Thickett, stressed that LDP policy must be evidence based, and that it is essential to evidence thresholds, numbers, percentages, and impact trying to avoid, for example, what is the impact of having more HMOs than the policy states is acceptable, what is the tipping point, and where is the evidence to support this tipping point and the impact if this tipping point is breached?
36. Members sought assurance that council officers have been told about the need to evidence LDP policies and the Deputy Chief Inspector of Planning, Tony Thickett, confirmed that he has met with Cardiff Council planning officers and told them about the need to evidence LDP policies and SPG.
37. The Welsh Government LDP Development Manual<sup>5</sup> sets out the following regarding LDPs being based on robust evidence:

A plan will contain the strategy, policies, and allocations to address the key issues, based on robust evidence.

**Exceptional Circumstances**

38. The Vice-Chair of the Planning Officers Society Wales, Tom Evans, explained it is important for LDP policy to set out exceptional circumstances, setting out the sort of circumstances where the Council may depart from the principles of the policy i.e., where this is in over-riding interest. This gives decision makers clarity and flexibility in specific circumstances to enable them to divert from the over-arching principles when this is in the over-riding interest.

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<sup>4</sup> Available online at: [development-plans-manual-edition-3-march-2020.pdf \(gov.wales\)](https://www.gov.wales/development-plans-manual-edition-3-march-2020.pdf) Downloaded 30/11/21

<sup>5</sup> As above

39. The example cited to the Inquiry was Swansea Council’s policy for Houses in Multiple Occupation (HMOs) and Purpose-Built Student Accommodation (PBSA). The LDP policy sets out exceptional circumstances where some long-standing empty properties may be allowed to become HMOs in specific circumstances. The HMO and PBSA SPG, December 2019, then provides more details on how exceptional circumstances are determined and the reasons for this, linking these back to the LDP policy.<sup>6</sup>

**Process**

40. The key stages in the LDP process – Preferred Strategy, draft LDP, deposit and examination - are set out in legislation. The Welsh Government manual for developing a local development plan is available online at: [Development Plans Manual \(Edition 3\) March 2020 | GOV.WALES](#) This sets out the steps to follow when preparing an LDP.
41. The Vice-Chair, Planning Officers Society Wales, Tom Evans, explained that timescales per se are not written in the legislation and LDP Manual – each local authority can go through the key stages of LDP process at different times – Cardiff and his authority, Swansea, have major sites and issues to plan for and engage on and the biggest populations to engage with and consult with, which is why it takes longer. He explained that, ultimately, if Council’s rush the process, then 1) they do not involve stakeholders and the local populations as much as they should be 2) there is not enough time to evidence decisions and policies and 3) independent examination finds it an unsound process and one that can be picked apart by Inspectors. So, Councils should not rush the stages. It is an unwieldy process and can be frustrating for practitioners as much as others. He stated that, to be fair to Welsh Government, they have made moves to speed up the process by slimming down the key stages, so the aspiration is it takes 3-4 years to produce an LDP rather than 5-7 years, as previously. However, the timings will vary from local authority to local authority, depending on the scale and type of issues and the size of population to consult with.
42. Once the Local Planning Authority has prepared a draft LDP, known as a deposit plan, the Planning and Environment Decision Wales inspectorate<sup>7</sup> examines the deposit plan

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<sup>6</sup> See Case Study Note on Page 29 of this report

<sup>7</sup> Planning Inspectorate Wales is now part of Welsh Government and is known as Planning and Environment Decisions Wales (PEDW)

and related documents to ensure the plan is ‘sound’ and that the views of all those who have commented have been considered. They report any changes that should be made to the plan. Their views are binding on the Local Planning Authority.

43. The Deputy Chief Inspector of Planning, Tony Thickett, confirmed that when he examines Plans he will say if policy needs to be tightened to achieve the stated aim, and that the Inspectorate encourages all Planning Inspectors to do that.

### ***How to ensure strong ‘hooks’ in LDP***

44. The Welsh Government’s LDP Development Manual sets out that there must be an LDP policy or policy criterion that provides the development plan ‘hook’ for an SPG; SPG cannot be linked to national policy alone. This point was emphasised by witnesses to the Inquiry:

*‘It is important to have the appropriate hooks and linkages between the LDP and SPG. SPG needs to derive from and be consistent with LDP policy – not national policy, must be linked to local policy in LDP that has been adopted’*

*Tom Evans, Vice-Chair, Planning Officers Society Wales*

*‘SPG are parasitic – they suck their power from the LDP policy that they hook into.’*

*Dr Harris, Senior Lecturer in Planning, Cardiff University*

45. Dr Harris, Senior Lecturer in Planning, Cardiff University, elaborated that Councils need to have a clear policy in the LDP for those areas where they know they want to have SPG. It is not sufficient to have SPG linking to several LDP policies, as this could weaken it. He cited Cardiff Council’s Tall Buildings SPG that supplements five policies in the LDP and questioned whether this waters down the relationship between the SPG and LDP policies and therefore its weight and hook; it is having to call on 5 policies and hooks because there is not one policy in the LDP on tall buildings to give it direct strength and linkage – this could cause it to lose weight because it does not have a clear hook to pull on – it is pulling on too many related policies rather than one specific policy.



46. Dr Harris added that Councils need to try to get detail into the LDP to get the policy hooks strong; he highlighted that Councils may find Inspectors require the Council to strike out some of the detail if they feel the detail should be in a SPG rather than the statutory plan.
47. Dr Harris summarised that, to make LDP policy hooks strong:
- a. Have a clear policy in LDP - for those areas where you know you want to have an SPG, rather than SPG linking to several policies
  - b. Be upfront and clear in SPG – start with clear statement of which policy in LDP the SPG hooks to, that *'this is the LDP policy, and this is what is being supplemented'*.
  - c. Use positive language – state SPG it is a material consideration – e.g., Monmouthshire's Green Infrastructure SPG follows this positive tone – sharp and focused and explains why people should pay attention to it.

### **Updating LDP**

48. Cardiff Civic Society highlighted that the pace of change since the LDP was adopted has been rapid, citing the Well Being of Future Generations Act, Brexit, and the Covid-19 Pandemic as some examples that have radically changed the context for the LDP. Nerys Lloyd-Pierce, Chair Cardiff Civic Society stated:

*'LDPs need to be less lumbering if they are going to be effective – they will be pretty much obsolete towards the end of their lifespan otherwise, and we need a Replacement LDP that is more moveable, particularly to be able to address crises such as biodiversity, nature and climate emergencies that are only going to accelerate'*

49. However, the Vice-Chair, Planning Officers Society Wales, Tom Evans was less sceptical that LDP and policies will go out of date within the lifespan of the LDP, given the new process and timescales set out in the updated LDP manual. He stated that, if the main issues are covered by policies that SPG can build on and amplify, the LDP will be in a good place.
50. Having considered the above, Members believe that, as the replacement LDP Vision includes ensuring Cardiff is carbon-neutral by 2030, the replacement LDP will need to

embed tackling the climate change, nature, and biodiversity crises. However, Members recognise the challenges posed by the need to respond appropriately and quickly to as yet unknown crises. The short-term review process, set out below, provides a mechanism to address this.

**Short-Term Review**

51. The Inquiry heard, from the Deputy Chief Inspector of Planning, Tony Thickett, that local authorities can carry out a short-term review if they find that one policy is not delivering what the Council had intended or a particular area is not doing what the council wants it to do. These reviews take close to 2 years to complete and require the Planning and Environment Decisions Wales inspectorate to schedule inspector time to look at the review.
52. The Deputy Chief Inspector of Planning, Tony Thickett, clarified that, as Cardiff is underway with its replacement LDP, it is not worthwhile carrying out a short-term review, given the replacement LDP will be ready in 4 years and the short-term review would take nearly 2 years to complete.
53. The Chief Inspector of Planning, Victoria Robinson, added that normally, the need for a review is flagged by the Council's Annual Monitoring Review (AMR) report. To her knowledge, there has only been one short term review - in Snowdonia, a much smaller authority than Cardiff. She commented that, if she were in Cardiff Council's officers' shoes, she would be saying that Cardiff reviews their issues via the Replacement LDP unless something is felt to be a major issue.

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**CASE STUDY - Swansea Council – LDP policy re Houses in Multiple Occupation (HMOs).**

*Swansea Council were experiencing problems with their previous LDP policy not being upheld on appeal as it was not specific enough. Officers realised that the new LDP needed a more targeted, evidence-based policy and that they could not rely simply on SPG as, whilst SPG are a material consideration, the LDP policy is the primary basis on which decisions are made. Their discussions with Welsh Government indicated they were supportive of this approach.*

The new LDP HMO policy sets out the actual requirements re HMOs in fairly detailed planning policy, setting out the principles developments are required to aspire to and accord with; SPG then supplements this providing more detail and description, so it is clear to developers what the Council means by the policy.

The new LDP HMO policy sets out a targeted approach that is evidenced based, includes definitions, and sets out clear requirements, for example not sandwiching property between two existing HMOs. It contains specific reference to how HMOs will be dealt with in small streets and describes unacceptable concentrations, with specific caps and maximum thresholds. Critically, it includes exceptional circumstances, spelling out when the LDP HMO policy may not be applied where this is in the over-riding interest; these centre on long-term empty properties that meet specified criteria, and provide decision makers with clarity and flexibility in specific circumstances.

The new LDP policy contains examples of how calculations are done to determine the above and has evidence to support them. Tom Evans, Vice-Chair of Planning Officers Society Wales and Placemaking and Strategic Planning Manager, Swansea Council, explained to Members that it was better to put this detail into the LDP policy as it needed to be properly consulted on, so that the Council could hear the views of stakeholders, which strengthens the policy, and so that it goes through examination.

Swansea Council's HMO and PBSA<sup>8</sup> SPG, December 2019, provides more details, linking this back to the LDP policy.

The Deputy Chief Inspector of Planning, Tony Thickett, cited Swansea Council's LDP HMO policy in his evidence to the Inquiry, stating that it is far stronger to put the threshold in the LDP and to include exceptions criteria. He stated that Swansea Council's HMO approach now carries the weight of the LDP, whereas Cardiff Council's SPG does not carry the same weight as the thresholds are not in the LDP.

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<sup>8</sup> PBSA = purpose-built student accommodation

## SUPPLEMENTARY PLANNING GUIDANCE (SPG)

54. The Inquiry sought the views of witnesses on the purpose, role, use, scope, and status of SPG. Members were keen to understand how to strengthen SPG and asked witnesses to share their understanding of how to add weight to SPG. In addition, the Inquiry explored the need to publicise SPG and update SPG. Members invited witnesses to share good practice examples, which were supplemented by desk-based research by the Inquiry's supporting scrutiny officer.

### *Purpose of SPG*

55. The Chief Inspector of Planning, Victoria Robinson, explained that the purpose of SPG is to add clarity where Councils cannot have all the detail in the LDP as it is already a big document. The Vice-Chair Planning Officers Society Wales, Tom Evans, explained that the replacement LDP cannot provide all the details required, as otherwise the LDP would become too lengthy and unwieldy, and that these details then need to be in SPG.

### *Role of SPG*

56. The Vice-Chair Planning Officers Society Wales, Tom Evans, stated that the role of SPG is to explain to applicants and decision makers how LDP policy is going to be interpreted. **Councils need to think carefully about which details to put in the LDP, so they have the weight of the LDP, and which can be deferred to SPG, which puts some meat on the bones and helps to interpret the LDP policy.** He added that Swansea Council's LDP contains fairly detailed planning policy that sets out the principles that development is required to aspire to and accord with, and the SPG supplements this by providing more details.

57. The Deputy Chief Inspector of Planning, Tony Thickett, stated that SPG is not there to replace the LDP – the overarching policy of whatever it is that the council is trying to achieve should be set out in the LDP and then the SPG supplements this policy to help guide decision makers and developers on how they might achieve the aim of the policy. He gave the following examples:

- i. have an affordable housing LDP policy with a target of x for schemes of a certain size and then the SPG sets out the mechanism by which councils would achieve that through planning obligations, how that is calculated

ii. maintain privacy policy – statement in LDP policy but then SPG sets out detail on how this is calculated e.g., 21 metres between facing windows.

58. The Deputy Chief Inspector of Planning, Tony Thickett, clarified that SPG cannot be used to set policy – the policy has to already be in the LDP – but it can be used to expand on and supplement the LDP policy and provide detail on how to implement the policy.

59. The Welsh Government’s LDP Development Manual states the following:

- SPG must be consistent with national policy and the local development plan
- SPG cannot be linked to national policy alone – there must be an LDP policy or policy criterion that provides the development plan ‘hook’, whilst the reasoned justification provides clarification of the related national policy
- SPG must derive from a LDP policy or, in the case of a master plan/ development brief, from a site allocation.

### ***Use of SPG***

60. Dr Harris, Senior Lecturer in Planning, Cardiff University, explained that SPG can be used for a range of different matters - masterplans, design frameworks, developer contributions etc.

61. In their written submission, the Design Commission for Wales highlighted that significant site allocations would benefit from site-specific development brief SPG with overt reference to placemaking, stressing that placemaking considerations should be integrated into all relevant SPG. They also emphasised that SPG should be as place-specific as possible, as there is little value in repeating general principles about a topic, and that there needs to be specific application to the location.

### ***Scope of SPG***

62. The Deputy Chief Inspector of Planning, Tony Thickett, told the Inquiry that whilst it is important the LDP policy says what the aim is and includes thresholds or numbers or percentages, the SPG needs to say how that is worked out e.g., affordable housing policy will contain number or percentage, the SPG explains how this is worked out, what is included/ excluded, and details exceptions, He continued that this could be the same for a Houses in Multiple Occupation SPG – it explains to developers what the tipping

points are and the detailed way the policy is implemented – it explains how the council makes the decision of whether an application tips the balance re the threshold.

63. The Welsh Government’s LDP development manual states that SPG should not be used to determine the appropriate type, scale, and level of development for particular sites. Rather, SPG have a key role in interpreting and expanding on generic policies in the LDP and can:
- Provide important guidance to expand on topic-based policy to assist the implementation of the LDP (e.g., design, landscape, green infrastructure, heritage, conservation, Houses in Multiple Occupation (HMOs), renewable energy)
  - Cover detail and numerical guidelines/thresholds where they may change, to avoid the LDP becoming quickly outdated and to assist flexibility (e.g., car parking standards)
  - Provide additional detailed guidance on the type of development expected in an area allocated for development in the LDP. This could take the form of a development brief or a more detailed master plan.

### **Status of SPG**

64. The Vice-Chair Planning Officers Society Wales, Tom Evans, explained that SPG needs to derive from and be consistent with a local policy in the LDP that has been adopted – this provides the ‘hook’ for the SPG. He added that councils need to bear this in mind when deciding where they should be developing SPG. He continued that the LDP is the primary basis on which planning application decisions are made, with SPG being a material consideration only.
65. The Welsh Government’s LDP development manual is also clear that the LDP should not delegate the criteria for decisions on planning applications to SPG, which should only contain advice and guidance.
66. Dr Harris, Senior Lecturer in Planning, Cardiff University, explained that the LDP has a certain status, and that SPG will never get to the same status due to the way the current legislation has been drafted. He highlighted that one of the terms used in the SPG Inquiry terms of reference, ‘*enforce*’, is not strictly accurate – they are not ‘enforceable’ as it is not in their nature to be ‘enforced’ but councils can add weight to an SPG.

67. The Welsh Government’s LDP development manual sets out that SPG should be formally approved by the local planning authority so that proper weight can be given to it by Inspectors when determining appeals. However, SPG should not be approved formally until after the Inspector’s report is received on the LDP and the policy approach has been confirmed by resolution to adopt the plan by the local planning authority. Any documents approved as SPG should accord with the accepted procedures for SPG (i.e., consultation, revision, and approval).
68. Members concluded that:
- i. SPG derive from LDP policy, which provides the ‘hook’.
  - ii. SPG supplements the policy in the LDP to help guide decision makers and developers on how they might achieve the aim of the policy, how the policy is going to be interpreted, and how to implement the policy.
  - iii. SPG set out the mechanism by which to achieve LDP policy - how thresholds, numbers and percentages are calculated, what is included/ excluded – explaining to developers what the tipping points are, and the detailed way policy is implemented. SPG provides detail on exceptions stated in LDP policy.
  - iv. SPG will never get to the same status as LDP unless the legislation is changed.
  - v. SPG are a material consideration but are not ‘enforceable’ as not in their nature to be ‘enforced’.
  - vi. SPG must go through the accepted procedures - consultation, revision, and approval.
  - vii. SPG should be formally approved by the local planning authority, once the LDP has been through examination and the policy approach is confirmed by resolution to adopt the LDP.

### ***Adding weight to SPG***

69. The Inquiry asked witnesses for their views on the various factors that add weight to SPG, in addition to the factors contained in the LDP, so the factors that are only contained in SPG. Witnesses identified the following factors: style, language, evidence, impact, exceptions, consultation process, and examination process.

**Style**

70. Julia Barrell, Vice-Chair - Cardiff Civic Society, stated Cardiff Council needs to make SPG shorter and snappier, with clear examples of what the Council is expecting.
71. In their written submission, the Design Council for Wales highlighted that a clear summary of the key points of the guidance at the start of the document will make it more accessible and user friendly.

**Language**

72. Representatives from Cardiff Civic Society commented on the use of language in Cardiff Council's current SPG:

*'Need to tighten the use of language in SPG, being explicit in the SPG which LDP policy, paragraph, the SPG is expanding upon and looking to avoid terms such as 'will seek' and other caveats. If the language is not precise enough, it is easier for developers to argue against the intents of the SPG, for example on grounds of viability. Tighter language will make an SPG easier to defend and get Planning Inspectors support on appeals. I recognise that any large planning application will have some areas that are in breach of an LDP – it is a value judgement which breaches are tolerated, and tighter language will help clarity on this'*

Lyn Eynon

*'language is important, the Green Infrastructure SPG contains lots of 'hedging' terms, such as 'may/ should/ seek to' etc. This does not help people understand what they should be doing and what the Council is expecting – need to be clear and unambiguous.'*

Julia Barrell

73. Clare James, Cardiff Future Wellbeing Alliance, also made this point:

*'Need to ensure the language used in the LDP is not vague – need to avoid terms such as 'may' 'should' 'like' – the average person sees it as language to enable developers to get around things – need clear language in LDP e.g., measures – and then the 'how' in the SPG.'*

74. Members heard from the Vice Chair Planning Officers Society Wales, Tom Evans, that, whilst SPG language is less definitive, this is going to be the case as cannot introduce new policy in SPG. Dr Harris, Senior Lecturer in Planning Cardiff University explained to



Members that some councils use phrases such as ‘seek’ ‘sought’ whereas others phrase it more robustly as ‘expectations of local authority’ and ‘basis for negotiations’, the latter point being key as SPG has to be used flexibly and needs flexibility built in. So, whilst phrases such as ‘seek’ are accurate, as councils cannot insist, they do not give the right message; **language needs to be strengthened and have positive messages whilst recognising need to negotiate and explore with developers**. Dr Harris cited Monmouthshire Council’s Green Infrastructure SPG as a good example of this.

75. Members highlighted the importance of language in the Highway Code – ‘could’ meaning advisory and ‘should’ meaning legally obliged to – and asked whether it is the same in planning legislation re weight of words. Dr Harris explained there is nothing in primary legislation re SPG because it is non-statutory, but that councils do not need to emphasise this in SPG. Some local authorities state in their SPG ‘*this is a non-statutory document*’ – whilst that is true, there is no reason to emphasise this.
76. Clare James, Cardiff Future Wellbeing Alliance, added that there is a need for an iterative process to inform the development of the LDP and SPG, which would be more about engagement than consultation, to work together to avoid vague terms, to get it right in the first place.

#### **Evidence**

77. The Deputy Chief Inspector of Planning, Tony Thickett, informed the Inquiry that the guidance on producing SPG is that this **must be evidence based** - when you produce SPG it should be as equally evidenced based as you would for an LDP going before a Planning Inspector. He continued that the Council must have the evidence to show the impact that the SPG is seeking to avoid, to support the harm claimed by the council if this is not avoided, and to support the thresholds, numbers, and/or percentages chosen.

*‘The key is to have evidence to show the impact that the policy is seeking to avoid – what is the impact of having more HMOs than the policy states is acceptable, the tipping point, where is the evidence to support this impact? It is essential to evidence thresholds, numbers, percentages, impact. So, the detailed way of how going to implement the policy sits in the SPG, whereas the overarching policy objective sits in the LDP policy. Whatever thresholds choose, need to evidence.’*

*Tony Thickett*

**Impact**

78. The Vice Chair Planning Officers Society Wales, Tom Evans, explained that Swansea Council's SPG **highlight the reason why something is not acceptable**, they explain the implications, for example the impact on wellbeing, on useable space etc. This means that planning inspectors can see that the guidance is clear on what is required of the developer and the impact if this is not followed. He explained that this provides a reason for planning inspectors to concur with the Council – the planning inspectors need a reason – it is not sufficient for them to say the application does not comply with an aspect of the guidance – they need to know the implications and that the implications are unacceptable, which is why Swansea Council set out the impact, for example the impact on wellbeing etc.

**Exceptions in SPG**

79. The Inquiry received a written submission from Cardiff Civic Society that stated:

*'First and foremost, Cardiff Council needs to abide by the edicts set out in its documents. The material is worthless if the council simply ignores its own policies at every opportunity.'*

80. At the meeting with Members, Nerys Lloyd-Pierce, Chair Cardiff Civic Society added to the above, stating the Council needs to abide by its SPG and that there is no point having 400-page documents if the Council does not stick to what is in it.

81. Members explored this issue with other witnesses. The Chief Inspector of Planning, Victoria Robinson, clarified that **the planning system is not designed to be prescriptive, and councils should not try to be prescriptive in the LDP and SPG as they could end up tying their own hands**. She continued that councils needs to be clear what their goal is, what they are trying to achieve through policy and have evidence to support why saying that. Then, as long as this is consistent with national policy, this should work in terms of shaping development. She added that

*'the planning system is not designed to have 'thou shalt not ever' policies, and certainly cannot state these in SPG or LDP, this is my number one advice to scrutiny - there has to be shades of grey – need the LDP and SPG to provide clear advice on what developers need to do and how the council will take into account different factors that affect a particular development.'*

82. The Deputy Chief Inspector of Planning, Tony Thickett, explained that SPG is only guidance: it is not meant to be applied slavishly, it needs to have some flexibility. He gave the following example:
- ‘if SPG specifies 21 metres between facing windows, and developer comes forward with proposal that is only 19 metres apart, this does not mean have to refuse it automatically – it depends on the circumstances – it could be that in this particular case although there is only 19 metres it does not cause harm as it is at an angle – it’s not a black and white tick box – need to apply judgement.’*
83. The Vice Chair Planning Officers Society Wales, Tom Evans, stated there are going to be cases where it is in the interests of the Council to divert from some of the SPG principles or requirements, in the wider interest of achieving the development e.g., if 2 out of 100 houses can’t see street trees, as required by Swansea’s Street Trees SPG, but they have distant views of rolling hills, then the Council would not insist on this – the Council has to take a reasoned approach to details in the SPG. He stressed the Council must be reasonable in how it applies SPG – the main issues to think about are being clear what wanting to achieve/ not allow/ impacts to manage and then think about whose interests are served by applying SPG, so, if perfectly acceptable or even preferred alternative, a council may decide not to stick rigidly to SPG – need to make sensible decision based on entirety of scheme.
84. The Vice Chair Planning Officers Society Wales, Tom Evans, added that Swansea Council’s HMO and PBSA<sup>9</sup> SPG, December 2019, provides more details on exceptional circumstances, linking this back to the LDP policy, and setting out the sort of circumstances where the council will depart from the principles e.g., long-standing empty property that has been marketed for a significant period of time but without finding anyone to live there, and is in a poor state of repair and the level of investment required means it is not viable for family housing, so if not allowed to use it as HMO it would stay in a poor state of repair and empty to the detriment of the neighbourhood. He continued that the LDP Policy and the SPG set out the exceptional circumstances and so give decision makers clarity and some flexibility in specific circumstances to enable them to

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<sup>9</sup> HMO = Houses in Multiple Occupation, PBSA = purpose-built student accommodation

divert from over-arching principles when in over-riding interest e.g., long-standing empty property. He also provided another example re HMOs and small streets and how the SPG sets out how small streets would be disproportionately affected by the overall 25% threshold and why an additional level of protection is provided to small streets, the evidence amassed to support this, the way in which this will be approached, and the calculations used to arrive at a decision.

85. The Chair of Cardiff Civic Society, Nerys Lloyd-Pierce asked Tom Evans whether, in his experience, developers took advantage of this flexibility – that they used it to get out of the SPG? Tom Evans responded that Swansea’s experience so far was that this did not happen to any great deal: **developers need to evidence and explain why, in that individual circumstance, the exception applies and how the concerns the Council has identified (*the impacts if SPG not implemented*) are outweighed by the individual circumstances.** He stressed that that is the test – **the only reason why a decision maker disapplies the SPG is if it is in the wider interests of development and the area.** He continued that there will always be circumstances where this happen, and that this is particularly the case re thresholds and proportions.
86. In their written submission, the Design Council for Wales stated there is a need to ensure SPG is appropriate and has value for designers, clients, applicants, and decision makers, highlighting that this will require analysis of specific locations. They added that there should be sufficient flexibility in the SPG to ensure each application can be considered by suitably skilled officers to enable appropriate innovative and creative design.
87. The Deputy Chief Inspector of Planning, Tony Thickett, reiterated the point that planning is not black or white, there is an element of subjective judgement and there will be exceptions, so there is a need for flexibility e.g. might have target for affordable housing but might need to reduce it to meet brownfield site needs, transport needs, or education needs; it depends on the priorities for the site – there is not a bottomless pit of money from developer contributions, so it is up to the Council what they put the money towards.

**Consultation re SPG**

88. The Vice Chair Planning Officers Society Wales, Tom Evans, explained that councils have to show that they have gone through a process of consultation and have to set out how they have responded, and whether they have made changes to the document in light of representation; this shows SPG is a reasoned document. He stressed that it is not always the case that every representation made leads to a change in a document as sometimes there are good reasons for not doing so but councils need to show all representations have been properly assessed and the reasons why changes cannot be made.
89. Cardiff Civic Society stated that it is important for Cardiff Council to demonstrate and evidence that it is giving due consideration to stakeholders' comments, that it is taking them seriously. Nerys Lloyd-Pierce, Chair Cardiff Civic Society, stated that the current LDP had 1,500 recommended changes via consultation but, apart from a couple of tiny points, none of them were taken on board. Julia Barrell, Vice-Chair, Cardiff Civic Society, added that lots of examples and suggestions were provided during the consultation for the Green Infrastructure SPG and none came to fruition.
90. Dr Harris, Senior Lecturer in Planning, Cardiff University, told the Inquiry that he could see on Cardiff Council's website that Cardiff's SPG have been consulted on, and evidence of this consultation.
91. Clare James and Terry Howe, Cardiff Future Wellbeing Alliance, put forward the view that there is limited awareness and understanding amongst most people of what an LDP or SPG are: consultation on SPG, and the LDP, is an opportunity to build knowledge and trust in the planning system, provided there is iterative engagement:

*'The LDP consultation documents are 'dry documents' that do not engage – a lot of people do not know what an LDP or SPG are or why they matter – this is understandable as it is a complex area with lots of documents to wade through.'*

*Terry Howe*

*'The consultation process needs to be iterative; it needs to be a conversation to build trust, it needs to educate and explain and inform citizens and then seek their views again once they know more about the LDP process and planning system overall and*

*context that local authorities have to work within. It is critical that citizens are given the opportunity to understand the whole process'*

*Clare James*

92. In addition, they stressed the need for trust that the Council is working in the common good not developers' interests. Members discussed this with Clare and Terry and raised the issue that Members sometimes face, that something is in the greater good but may affect individuals e.g., bus/ cycle lanes. Clare and Terry acknowledged the tensions between these positions, responding that as they come from the environmental perspective, they know bus/ cycle lanes and inner-city flats are needed but are aware of others' views. They stressed that they would not want to see green belt development or see this as good for children/families, but recognised trade-off is sometimes needed, particularly re transport improvements.
93. In their written submission, the Design Commission for Wales stated that there should be genuine, early, and iterative engagement with stakeholders and local people to develop SPG.
94. Members sought the views of the Planning Inspectors re consulting on SPG; Members were concerned that it is hard enough to consult effectively on the LDP let alone on SPG, which does not have the same status, which may lead to stakeholders feeling it is not worthwhile responding to SPG consultation. The Deputy Chief Planning Officer, Tony Thickett, stated that it is important to get the LDP policy right and to consult on this and get that consultation right – the SPG then interprets and assists in implementation of the policy, so **the LDP policy consultation focuses on consulting on the principles underpinning the policy whereas the SPG consultation focuses on the 'how' of implementing the policy, not the principle.**
95. The Welsh Government's LDP development manual states that SPG that have been subject to consultation will carry more weight and that approved SPG should include, or reference, a statement of consultation and any changes made as a result of this consultation. It also sets out that the LDP Delivery Agreement should establish what SPG will be prepared (or revised) and by when, and the timetable indicating when SPG would be issued for consultation and the length of that consultation. It should also

identify the means of community involvement suitable for different types of SPG. Commitments to involvement and consultation must be followed if the SPG is to be of value. SPG will carry little or no weight unless it is produced in accordance with a Community Involvement Scheme and is subject to public consultation and approved by Council resolution.

96. Dr Harris, Senior Lecturer in Planning, Cardiff University highlighted there is an opportunity where there are critical hooks in LDP to consult on these critical SPG in parallel with LDP. The Inspector reviewing the LDP will be able to comment and reconsider how well LDP is written and presented at the same time as seeing what it is that will be in the SPG, which will help to make the SPG more robust.

*‘If there are some really important SPG - maybe those that cover crucial areas for guiding development, such as developer contributions, transport network impacts etc. – then there is an opportunity to consult on SPG in parallel to LDP, rather than subsequently as is often the case. So, if there are critical hooks in LDP, then consult on these critical SPG in parallel with LDP’*

*Dr Harris*

97. Dr Harris continued that running LDP and SPG consultation in parallel is resource intensive, given the amount of detailed preparation required to appropriately draft SPG, but it might help to enhance the SPG because the process to develop the SPG – consulting, revising, and approving by Council resolution - would be in close parallel to the LDP.
98. Dr Harris advised to only do this on SPG which are critical, given the resource implications, where it is really crucial to get the hook right in the LDP. Then, when the Inspector is reviewing the LDP, they are not only commenting on the plan in light that SPG will follow, but they are also commenting and reconsidering how well the LDP is written and presented at the same time as seeing what it is that will be in the SPG. He concluded that this is one example of how councils might make some of their SPG documents more robust, by running consultation in parallel with LDP.
99. Members sought the view of the Planning Inspectors on this proposal. The Deputy Chief Inspector, Tony Thickett, stated that he could see a lot of advantages to doing this and

no harms arising but that there would be a capacity issue for planning officers, as it is a lot of work to prepare LDP and SPG and they are two different things. He highlighted that it starts to make it very complicated and a big job when you also have the LDP to do but that there are no reasons why you cannot do this.

100. The Welsh Government's LDP development manual states that:

*'Where SPG relates to, and would assist the understanding of the implications of the plan or a key policy, it should ideally be prepared and consulted on in parallel with the LDP.'*

101. Members noted that Cardiff Council's LDP Review (March 2021) states

*'A review of the existing SPG including ones recently amended and adopted will be undertaken as part of the LDP Revision process.'*

*Point 3.85*

102. Members further noted the Replacement LDP Delivery Agreement, agreed with Welsh Government in January 2021, states the need for any new or revised SPG (related to existing LDP policies) will be considered *'on its merits having regard to the need for new guidance together with the adequacy of the existing policy framework'* as set out in the LDP and national guidance and continues, *'In such cases, the SPG will be subject to its own consultation process.'*

103. The Delivery Agreement also acknowledges that consultation with stakeholders as the Replacement LDP is prepared may reveal the need for new SPG to be produced that directly relates to the Replacement LDP. It states *'In such cases, it is intended that public consultation on the SPG would be undertaken in parallel with wider replacement LDP engagement. Stakeholders will be kept informed of any such consultations.'* SPG would need to be included in the Replacement LDP Deposit of proposals stage, scheduled to take place December 2022 – November 2023. SPG would need to be included in the documents published as part of the statutory 8-week consultation period.

#### **Examination process**

104. The Deputy Chief Inspector, Tony Thickett, explained that, in Wales, Inspectors do not examine SPG as these are outside their remit.



105. Dr Harris, Senior Lecturer in Planning, Cardiff University, highlighted that England used Supplementary Planning Documents (their equivalent to SPG) and had a process where, if the local authority wanted them to have enhanced weight, they could take them as a Local Plan document - part of their Local Plans (their equivalent to LDP) – so these SPDs were examined, with a formalised and statutory process. This gives the SDP added weight. Dr Harris explained there is no similar provision within the Welsh planning system. The English approach takes more resource as more formality as a statutory process, whereas in Wales SPG are easy and quick to prepare, consult on and resolve to approve by Council, albeit that they lack statutory status.
106. Dr Harris, Senior Lecturer in Planning, Cardiff University, stated that it may be possible for councils in Wales to learn from England re the above, by setting up an independent review of SPG, or some of them – those that Councils want to ‘bite’ a little bit more. This would not be a statutory review but an independent review of SPG or some of them, that may add weight. He explained that, at the moment, Cardiff Council develops SPG, consults on them, reflects on suggested changes, amends SPG accordingly if it wishes to and presents them to Council for approval – it may be that a semi-independent review would enhance the weight, albeit that only incrementally adding weight. He stressed that it is not definite that an independent review would add weight in the planning inspectors view, but it could. Dr Harris did not offer an example of where this process was trialled successfully.

***How to make SPG strong enough to win an appeal***

107. Members highlighted that, ultimately, a Council will only know if SPG is a good document at the point that it is challenged by an appeal and upheld by the Planning Inspector – it may look good and contain useful information but is it effective? Is it open to interpretation? They sought the views of the Planning Inspectors on what they think is needed for SPG to be strong enough in appeals.
108. The Deputy Chief Inspector of Planning, Tony Thickett, explained the weight a Planning Inspector gives to an SPG depends on how it fits with the LDP policy and the process it has been through. Planning Inspectors will give considerable weight to SPG if i) it is clearly linked to an LDP policy ii) it has been subject to public consultation and iii) it has

been approved by Council as supplementary planning guidance. Ahead of all of these is the need for the SPG to comply with national planning policy.

109. Tony Thickett reiterated that the LDP is the starting point – the planning authority and planning inspectors must determine the application in accordance with the LDP until and unless material consideration indicates otherwise - if the LDP policy is vague, that is still the starting point. He emphasised that a council cannot bring in SPG to amend the policy or fill the gap. However, they could do a minor review of LDP if they were finding that one policy was not delivering what the council had intended.
110. The Chief Inspector of Planning, Victoria Robinson, highlighted local authorities can refer to Future Wales, which has development plan status, in their SPG and that she would encourage councils to do this; whilst a lot of the policies in Future Wales are high level, because it is a national plan, they are still useful. For example, with regard to retail centres and changing dynamics about types of uses, Future Wales talks about town centre first and the flexibility that town centres should be looking at. She added that Planning Policy Wales has been updated as well regarding retail – stating that this is an area that has moved on in quality terms since Cardiff’s last LDP was adopted. She reiterated the point that SPG carries more weight the more consistent it is not only with LDP but national planning policy as well and that is where Future Wales can help move things forward a bit more.
111. Dr Harris, Senior Lecturer in Planning, Cardiff University stated that, in his view, a lot of what Cardiff Council is doing re SPG is not so different to what other councils are doing in England and Wales, based on his review. Cardiff’s SPG have been consulted on and you can see evidence of this consultation and they have been approved by Council resolution. So, the Council’s planning department is doing most of the things it can do to give strength and weight to SPG. He emphasised this is a separate point to the effectiveness of the Council’s LDP policy hooks.
112. The Vice-Chair Planning Officers Society Wales, Tom Evans, offered to share examples of appeal decisions relating to HMO applications that show how Swansea Council’s new LDP HMO policy and HMO and PBSA SPG has been used to manage HMO issues in Swansea.

**CASE STUDY - Swansea Council – Use of LDP policy and SPG in Appeal Decisions re HMO applications**

Tom Evans, Vice- Chair Planning Officers Society Wales and Placemaking and Strategic Planning Manager, Swansea Council, shared four appeals decisions that illustrate how inspectors have used LDP policy and related SPG to underpin decisions to dismiss planning appeals.

The inspectors' decision notices cite the relevant LDP HMO policy and the HMO PBSA SPG<sup>10</sup> and focus on the use of thresholds, including within and outside HMO management areas and in small streets, the evidence basis re thresholds, the evidence basis re harm and the impact of the proposal on local community and amenities, and that there are flexibilities and exceptions written into the LDP and SPG which these cases do not meet. This demonstrates the importance of including these aspects in the LDP policies and SPG.

The four appeals decisions are:

- 5 Kilvey Terrace, St Thomas, Swansea, SA1 8BA – Appeal Ref: APP/B6855/A/19/3243984  
The appeal decision states that the SPG has been subject to public consultation and is therefore an important material consideration. It cites the LDP policy threshold and the SPG threshold calculation methodology. It cites the LDP policy exceptional circumstances and the SPG detail on this. It cites the LDP policy and SPG objectives to foster balanced and cohesive communities and to avoid adverse consequences for the character and amenity of the area. It dismisses the appeal for these reasons, and for the reason that the application does not meet the more general requirement of LDP Placemaking and Place Management policy that development should enhance the quality of places and accord with relevant placemaking principles.
- 38 St James Crescent, Uplands, Swansea, SA1 6DR - Appeal Ref: APP/B6855/A/20/3252707  
The appeal decision cites the LDP Policy, stating the proposed development would conflict with this. It also states the proposed development would run counter to the general thrust of the advice contained within the SPG.
- 17 Oaklands Terrace, Mount Pleasant, Swansea, SA1 6JJ – Appeal Ref: APP/B6855/A/20/3265453  
The appeal decision cites the LDP Policy threshold for HMO management areas and the LDP Policy re small streets, including the reasoning for a different approach for small streets and that the SPG recognises that a judgement still needs to be made even if the threshold ratio is exceeded, and cites one of the worked examples included in the SPG to illustrate this. The appeal decision states the LDP policy is evidence based, went through examination, and was found to be sound. It also states that the LDP policy and SPG incorporate flexibility via the exceptions criteria. It cites the LDP policy and SPG objectives to foster balanced and cohesive communities.
- 131 Rhondda Street, Mount Pleasant, Swansea, SA1 6EY: Appeal Ref: APP/B6855/A/21/3271767  
The appeal decision cites the LDP policy and SPG's recognition that there will be a need for HMOs to meet occupier demand and that future provision needs to avoid overconcentration to the detriment of residential amenity and community balance. It cites the LDP policy thresholds and that the SPG provides detailed advice on this. It cites the LDP policy re HMO management areas. It cites the LDP policy re exceptional circumstances and the flexibility this provides.

<sup>10</sup> Available at: <https://www.swansea.gov.uk/hmospg>

**SUMMARY - How to Ensure Strong SPG:**

- Use positive, precise language
- Cite relevant LDP policy and paragraph upfront
- Be clear and unambiguous re what the Council is expecting
- Use positive phraseology, such as '*expectations of local authority*' and '*basis for negotiations*'
- State SPG is a material consideration
- Do not state '*this is a non-statutory document*'
- Provide evidence for thresholds, numbers, percentages, and impact seeking to avoid
- Clearly state and detail the impact the SPG is seeking to avoid
- Detail the implications if this impact is not avoided – the harm caused
- Include flexibility via exceptional circumstances, providing details on these, how they will be approached and how they will be calculated
- Have an iterative engagement and consultation process
- Take the SPG through the approved process
- Formally approve the SPG at Full Council

**Publicising SPG**

113. Cardiff Future Wellbeing Alliance highlighted the need to increase the publicity for Cardiff Council's SPG, to make them more accessible and help build citizens knowledge about SPG:

*'Need to have clarity with SPG – at the moment some of them seem hidden and are hard to find – and build knowledge about SPG – the average citizen would not know what an SPG was.'*

Clare James

114. In their written submission, the Design Council for Wales stated that all SPG documents must be available on the Council's website. Cardiff Civic Society also highlighted the need to improve the accessibility of Cardiff Council's SPG by including all SPG on the Council's website in one specific section. In addition, they raised the need to clarify where planned SPG instead morphs into another type of planning tool, such as a Technical Guidance Note, so that it is straightforward for stakeholders to keep track:

*'The current LDP states there will be an SPG on Open Space, but this has morphed into a Technical Guidance Note on Open Space forming part of a wider Green Infrastructure SPG. This may or may not be the right way to tackle these issues, but it could be confusing and, indeed, the Indoor Arena developer does not seem aware of this, as they state in their application that there is not an Open Space SPG but do not refer to the TGN on Open Space.'*

Lyn Eynon

115. Lyn Eynon, Cardiff Civic Society also raised the need to improve the housekeeping for SPG, by ensuring draft SPG are replaced by the approved SPG and that the status of SPG is clear:

*'currently some approved SPG are on the website in their own section, some are only available by finding the relevant report to Council e.g., Green Infrastructure SPG. In addition, it is not very clear on their status - some still have draft on them, with no final version online, such as Green Infrastructure SPG'*

Lyn Eynon

116. The Vice-Chair of Planning Officers Society Wales, Tom Evans, confirmed to Members that there needs to be clarity on the status of SPG and where they can be found.
117. Finally, Cardiff Civic Society emphasised the need to ensure that documents are capable of being downloaded onto mobile devices without compromising their usability, that they are 'accessible-friendly.'

### **Up to date SPG**

118. In their written contribution, Cardiff Civic Society stated that several of Cardiff Council's SPG need updating, citing the City Centre Design SPG that dates from 1994. During their meeting with Members, they stated that, in their view, some of the SPG are '*past their sell-by date*,' citing the Dumballs Road Masterplan, which dates back to 2006, as an example.
119. Similarly, in their written submission, the Design Council for Wales, stated that SPG must be kept up to date and that several of the current SPG are old and have outdated policy and place references

120. However, Dr Harris, Senior Lecturer in Planning, Cardiff University, stated that  
*‘Cardiff is doing quite well – it has one or two quite dated SPG – but most followed quickly after the LDP, so not too dated.’*

### **Future Proofing SPG**

121. Cardiff Civic Society stressed the need for SPG to address the Climate and Nature emergencies:

*‘Need to futureproof SPG – climate and nature emergencies are not going away – need to think through what need to achieve from developers 5/10 years ahead’*

*Julia Barrell*

122. Cardiff Future Wellbeing Alliance emphasised the need for the LDP, and therefore SPG, to assist in implementing One Planet Cardiff:

*‘how One Planet Cardiff fits into the LDP – this is a real opportunity to engage and take One Planet Cardiff seriously in terms of achieving net zero.’*

*Clare James*

### **New SPG**

123. Cardiff Civic Society raised the need for new SPG, such as to conserve historic buildings that mean a lot to local communities but may not be deemed nationally significant and therefore subject to the protections offered by CADW.

*‘There is a need for new SPG, such as to conserve historic buildings – not just buildings deemed as nationally significant but also locally important historic buildings e.g., the Settlement building in Splott and the Rompney Castle, these mean a lot to local communities’*

*Nerys Lloyd Pierce*

124. It should be noted that this suggestion must be taken in context with the expert advice that SPGs cannot be used to make new policy or amend policy but only to amplify existing LDP policy. Consideration would need to be given to whether new SPG could build on existing LDP policy or whether they would require new policies in the Replacement Local Development Plan.

### **Good Practice SPG**

125. Cardiff Civic Society advocated Cardiff Council be open to good practice advice from elsewhere, including England.

*‘Cardiff Council needs to take advice from elsewhere to move forward, need to be more open to accepting good practice advice and follow this. Bristol is similar to Cardiff so why not follow good practice from there?’*

*Nerys Lloyd Pierce*

*‘whilst there are differences between planning systems in England and Wales, some of the good things developed in England could come to Cardiff and be applicable – in my view it is unlikely to be prohibited – need to look more widely than Wales, at other larger cities, to find examples useful to Cardiff.’*

*Julia Barrell*

126. Members wondered whether the differences between the English and Welsh planning systems, such as definitions, would mean that English good practice would not be relevant or applicable in Wales. They sought the advice of the Deputy Chief Inspector of Planning, Tony Thickett, who responded that:

*‘you will find good and bad SPG in England that you can learn from – the role of SPG in England is exactly the same as it is in Wales, with development plan the primary document and SPG having the same function in England and Wales. Whilst policies in England and Wales are diverging, the principles and mechanisms of the planning systems are the same, so there is no harm in looking for examples in England.’*

127. The Deputy Chief Inspector of Planning, Tony Thickett, also stated that there is not a silver bullet anywhere – in general, the best LDP and SPG are the simplest.

128. Julia Barrell, Vice-Chair, Cardiff Civic Society highlighted the need for Cardiff Council to be clear what it is looking to achieve so that it can identify relevant good practice examples:

*‘I and others might see these as good practice examples but, from experience, the Council may not as they may not accord with what the Council is looking for, and*

*therefore it is essential as a first step to be clear what it is that the Council is looking to achieve, what it wants to see.'*

### **Good Practice SPG - examples**

129. Throughout the Inquiry, Members asked witnesses to identify examples of SPG used elsewhere that they thought was good practice and to clarify to Members why they believed these to be good practice.
130. Cardiff Civic Society identified Bristol Council's Trees SPG and Cornwall Council's Biodiversity SPG as good practice examples, whilst Cardiff Future Wellbeing Alliance highlighted some English councils have Climate Change SPG that might be worth looking at, including Bristol Council and Woking Council. Dr Harris stated that he had asked colleagues to identify good practice SPG, which led to Monmouthshire Council's Green Infrastructure SPG being cited as good practice.
131. Tom Evans, who attended the Inquiry as the Vice-Chair of the Planning Officers Society Wales and is also the Placemaking and Strategic Planning Manager, Swansea Council, talked Members through two Swansea Council SPG – the Street Trees section of the Placemaking SPG and the Houses in Multiple Occupation and Purpose-Built Student Accommodation SPG. In addition, he forwarded links to two other Swansea Council SPG – Trees, Hedgerows and Woodlands<sup>11</sup>, and Biodiversity and Development<sup>12</sup>.
132. In addition, at the request of Members, the Scrutiny Officer supporting this Inquiry undertook some internet searches to identify good practice SPG re sustainability, Houses in Multiple Occupation, and accessibility.

### **Bristol Council's Trees SPG**

133. Cardiff Civic Society cited Bristol Council's Trees SPG<sup>13</sup> as good practice, giving the following reasons:
- It makes it clear what the Council wants to see
  - It is specific
  - It provides examples and photos
  - It provides links to further information.

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<sup>11</sup> Available at: <https://www.swansea.gov.uk/treespg>

<sup>12</sup> Available at: <https://www.swansea.gov.uk/biodiversityspg>

<sup>13</sup> Available at: [Supplementary planning documents, practice notes and other planning guidance - bristol.gov.uk](https://www.bristol.gov.uk/supplementary-planning-documents-practice-notes-and-other-planning-guidance)



### **Cornwall Council's Biodiversity SPG**

134. Following their meeting with the Inquiry, Julia Barrell, Cardiff Civic Society, highlighted Cornwall Council's Biodiversity SPG<sup>14</sup>, stating it is a good example because

- It is clear
- It is easy to understand
- It is defined and detailed
- It explains what the Council is expecting developers to do and show that they have done
- It sets some minimum standards - e.g., minimum number of integrated bird and bat boxes on buildings, minimum number of bee boxes, planting of native trees, etc
- It provides case studies
- It sets out a standard for a minimum 10% biodiversity enhancement<sup>15</sup>

### **Climate Change SPG**

135. Cardiff Future Wellbeing Alliance highlighted some English Councils have Climate Change SPG that might be worth looking at particularly given the need to ensure the LDP supports implementation of the One Planet Cardiff Strategy and assists efforts to tackle the climate and nature emergencies.

136. They identified Bristol Council's Climate Change SPG<sup>16</sup> and Woking Council's Climate Change SPG<sup>17</sup>, which has a climate neutral checklist for applicants. Cardiff Future Wellbeing Alliance stressed that it is not aware how these SPG have held up in practice but find the approach taken by these councils interesting, for example Bristol's SPG includes the following: *'developers should aim to exceed the requirements of the current local plan policies. Where development proposals go beyond the standard required by the current LDP the benefits of such an approach can be taken into account as a material consideration when planning applications are decided.'*

### **Monmouthshire Council's Green Infrastructure SPG**

137. Dr Harris, Senior Lecturer in Planning, Cardiff University stated that Monmouthshire Council's Green Infrastructure SPG<sup>18</sup> has been identified to him as good practice SPG as it:

- Starts with a clear statement of which policy in the LDP the SPG hooks into

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<sup>14</sup> Available at: <https://www.cornwall.gov.uk/media/v1roqk0x/planning-for-biodiversity-and-net-gain-spd-v11.pdf>

<sup>15</sup> Members noted that the Environment Act 2021 came into force in England in November 2021 – this requires 10% minimum Net Biodiversity Gain for all new developments which will be on site from November 2023.

<sup>16</sup> Available at: [Supplementary planning documents, practice notes and other planning guidance - bristol.gov.uk](https://www.bristol.gov.uk/media/2022/07/supplementary-planning-documents-practice-notes-and-other-planning-guidance-2022-07-27/)

<sup>17</sup> Available at: [Supplementary Planning Documents and Guidance - Woking 2027](https://www.woking.gov.uk/media/2022/07/supplementary-planning-documents-and-guidance-2022-07-27/)

<sup>18</sup> Available at: [Adopted SPG - Monmouthshire](https://www.monmouthshire.gov.uk/media/2022/07/adopted-spg-monmouthshire-2022-07-27/)

- States that the SPG supplements the LDP policy
- States that the SPG is a material consideration
- Uses the above to explain why people should pay attention to it
- Uses a positive tone that is sharp and focused
- Uses robust phraseology including '*expectations of local authority*'
- Includes the phrase '*basis for negotiations,*' thus demonstrating that the flexibility is built in and that there is a need to negotiate and explore with developers.

**Swansea Council's Placemaking SPG – Street Trees**

138. Tom Evans, Vice-Chair of the Planning Officers Society Wales and Placemaking and Strategic Planning Manager, Swansea Council, cited Swansea Council's '*Placemaking Guidance for Residential Development October 2021*'<sup>19</sup> as a good example of how an SPG provides details of how to implement LDP policy, to ensure the aim of the policy is realised.
139. He focused on the LDP policy on Street Trees as an example, which sets out the need for street trees to be incorporated into developments, meaning a decision to refuse a proposal can be made on the basis that it does not include street trees. However, what if developers put one or two street trees in a major spine road serving residential area – they have ticked the box of the LDP policy, but has it gone far enough? Tom explained that this is where SPG comes into play as it sets the context by referring to LDP policy, and provides more details, with examples and illustrations of various scenarios, thus augmenting concepts set out in policy. The LDP contains detailed policy and the Placemaking SPG builds on this and illustrates it.
140. The SPG provides details on how the Council expects street trees to be incorporated into developments. It provides illustrations of various scenarios, such as how to integrate street trees via planted verges, buildouts, into carriageway, and how to integrate trees on different types of streets – spine streets and major carriageways, lanes, and mews etc. It provides details re direct and oblique views of trees. It explains how to resolve SUDs impact and conflicts between these and street trees. The SPG therefore ensures a developer meets the aims of the LDP policy and avoids a 'tick box' approach.

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<sup>19</sup> Available at: <https://www.swansea.gov.uk/placemakingspg>

141. Tom Evans explained the Council has to take a reasoned approach to details in the SPG and must be reasonable in how it applies the SPG, giving as an example that if 2 out of 100 houses cannot see street trees, as required by the Placemaking SPG, but they have distant views of rolling hills, then the Council would not insist on these street trees. He emphasised the main issues to think about are being clear what wanting to achieve/ not allow/ impacts to manage, and then think about whose interests are served by applying SPG, so, if perfectly acceptable or even preferred alternative, the Council may decide not to stick rigidly to SPG – need to make sensible decision based on entirety of scheme; there are going to be cases where it is in the interests of the Council to divert from some of the SPG principles or requirements, in the wider interest of achieving the development.

142. Therefore, Swansea Council’s Placemaking SPG provides details augmenting concepts set out in LDP policy, where the LDP policy sets out requirements and SPG builds on this and provides detail. This provides detail to planning applicants and ensure the LDP policy is implemented in the way the Council wishes.

***Swansea Council’s Houses in Multiple Occupation and Purpose-Built Student Accommodation SPG***

143. Tom Evans, Vice-Chair of the Planning Officers Society Wales and Placemaking and Strategic Planning Manager, Swansea Council, cited Swansea Council’s Houses in Multiple Occupation (HMO) and Purpose-Built Student Accommodation SPG<sup>20</sup>, as good practice, highlighting how it, coupled with a strengthened LDP policy, has meant the Council is now winning appeals on HMOs, enabling it to manage HMOs more effectively – see page 46 of this report for more details.

144. Having experienced problems with their HMO policy not being upheld on appeal, Swansea Council has strengthened the new LDP policy on HMOs, rather than simply strengthen the SPG, as set out at page 30 of this report.

145. Tom Evans explained that the SPG amplifies the LDP policy providing details on:

- the reasons why something is not acceptable
- the implications, for example the impact on wellbeing, or on useable space

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<sup>20</sup> Available at: <https://www.swansea.gov.uk/hmospg>

- exceptional circumstances - linking this back to the LDP policy, and setting out the sort of circumstances where the Council may depart from the principles e.g., a long-standing empty property that i) has been extensively marketed but cannot find someone to live there, ii) is in poor state of repair and iii) the level of investment required to bring it to good state of repair means it is not viable for family housing, so would otherwise stay in poor state of repair and empty, to the detriment of the local community
- small streets aspect of the LDP HMO policy - including how small streets would be disproportionately affected by the wider 25% threshold, why additional level of protection is therefore provided to small streets, the evidence amassed to support this, the way in which this will be approached and what sort of calculations will be done to arrive at a decision.

**CASE STUDY - Cardiff Council's Houses in Multiple Occupation – LDP Policy and SPG**

*Members undertaking the Inquiry were aware from their ward work, work on Planning Committee, and from issues raised with them by other Members, that Cardiff Council's existing SPG on HMOs is not achieving its aim and is not being upheld at appeal by Planning Inspectors. Members sought clarification on why this is and what Cardiff Council needs to do to strengthen the SPG.*

Tony Thickett, Deputy Chief Inspector of Planning, explained Cardiff Council needs to start by improving its LDP policy on HMOs by:

- clearly stating what the Council's objective is
- clearly stating what it wants for areas with high number of HMO applications
- setting out what is to be gained from protecting from HMOs – what harms will be avoided?
- setting out what harms will result from breaching thresholds
- providing evidence of tangible harms
- tightening definitions.

He advised Cardiff Council to look at the Planning Inspectors' decisions:

- *What are the things they are taking into account when making their decisions?*
- *What are the reasons cited for their decision?*
- *What areas do decisions highlight that the Council needs to improve?*

From his understanding, the majority of decisions are because the applications are in areas where the threshold has already been exceeded and there is nothing in LDP or SPG about the harm arising if that is the case and, therefore, there is nothing for planning inspectors to cite to refuse an appeal.

Tony Thickett stated, in his personal view, the Council may wish to take a street-by-street approach, rather than a ward-wide approach.

Tony Thickett stated, in his personal view, the Council may wish to use tools other than planning policy to achieve its aims – is planning the best tool to achieve what Cardiff Council wants to achieve?

Members reflected that the above can be supplemented by the other aspects identified by this Inquiry for improving LDP and SPG.

**Good Practice identified by internet searches**

146. Members requested that the Scrutiny Officer supporting this Inquiry undertake some internet searches to identify good practice SPG re sustainability, Houses in Multiple Occupation, and accessibility – the latter as a result of a comment received from a fellow Member that their biggest concern re SPG is that they do not address disability issues and that they would prefer issues like disability to be at the forefront of planning.

147. The following SPG were identified:

**a. Public Health Wales – SPG template for Healthy Weight Environments (June 2021)**

This provides a blueprint for local authorities to use to develop their own local SPG designed to support local people to maximise their well-being, including achieving a healthy weight.

[Microsoft Word - Planning and Enabling Main Resource v8.docx \(nhs.wales\)](#)

**b. Planning Advisory Service – Access All Areas – Planning for an Inclusive Environment (April 2007)**

– includes examples of council SPG that ensure inclusivity and accessibility built in as fundamental in planning applications.

[Layout 1 \(local.gov.uk\)](#)

**c. Bath & NE Somerset Council - SPD Houses in Multiple Occupation (January 2022)**

A recent example of SPD for HMOs that deals with similar issues to Cardiff and includes various criteria for tackling this, including:

- ‘sandwich test’ – HMO will not be allowed if it results in other property being ‘sandwiched’ by HMOs.

[Houses in Multiple Occupation \(HMO\) supplementary planning document \(bathnes.gov.uk\)](#)

**d. Newcastle City Council – Sustainability Statements Planning Process Note (November 2021)**

A recent example of planning guidance to help developers ensure their designs address the impacts of climate change and achieve sustainability ambitions.

[Newcastle City Council - Sustainability Statements Planning Process Note \(November 2021\) \\_0.pdf](#)

## OTHER

### **Other Planning Tools**

148. The terms of reference for the Inquiry included Members understanding when to use SPG and when to use other planning tools. Members sought the views of witnesses. Dr Harris, Senior Lecturer in Planning, Cardiff University, explained that Councils can use various planning tools, such as place plans, design guides, Technical Guidance Notes, and issue based SPG, but none of these have greater status than SPG. He continued

*‘Councils can prepare what they like and call it what they like but need to get it approved as SPG for it to have weight’*

### **Annual Monitoring LDP**

149. Councils are required to produce an annual monitoring report that sets out progress in delivering the LDP policy objectives and highlights issues with SPG. The Welsh Government’s LDP development manual sets out that the effectiveness of SPG, alongside the policy it supplements, should be evaluated as part of the annual monitoring process and that annual monitoring also has a role to play in identifying the requirement for any new or updated SPG.

150. Cardiff Civic Society stated that, in Cardiff, this process is not satisfactory, as the Annual Monitoring Report (AMR) does not highlight any concerns with SPG, when it is clear that there have been issues with some of the SPG, for example the Houses in Multiple Occupation SPG. Dr Harris, Senior Lecturer in Planning, Cardiff University, also identified that the AMR does not highlight any concerns re SPG – it talks about significant progress in putting in place a suite of SPG, and states that most SPG are working as intended.

151. Members of the Inquiry were aware that the LDP Review, March 2021, identified that 18 SPG have been approved by Council since the adoption of the LDP and that the Review identifies, at point 3.36, *‘the issue of sub-divisions/ conversions into HMOs and flats is a matter which is considered to warrant a detailed analysis in response to concerns regarding the cumulative impact of proposals on local communities and amenity considerations of occupiers and neighbours. Whilst additional SPG has been*

*prepared, appeal decisions are not always supporting the Council's position, so a review is considered timely.'*

152. Members therefore concluded that the Annual Monitoring Report required strengthening, to make it clearer to readers the areas needing actions to address deficiencies, perhaps by highlighting these and including an action plan, with steps to address these deficiencies.

### **Regional SDP and LDP relationship**

153. Members of the Inquiry were interested to understand the relationship between the planned regional Strategic Development Plans (SDP) and local authority LDPs. The Deputy Chief Inspector of Planning, Tony Thickett, explained that, in the future, Wales's planning system will have three tiers – the national tier set out in Future Wales, the regional tier set out in SDPs and then the local tier set out in LDPs. He stated that SDPs apportion growth regionally, and LDPs determine where this growth would be e.g., the SDP would say x number of houses needed and that Cardiff will provide x amount of these, and the LDP would determine where these would be provided.
154. Dr Harris, Senior Lecturer in Planning, Cardiff University, stated that, regarding the relationship between SDPs and LDPs, it was early days, with the setup of Corporate Joint Committees and process of SDPs still to be clarified with no guidance or framework yet. He highlighted that some concerns have been raised regarding resources required re additional layer, with concerns that staff resources in the local authorities in SDP areas may be used to draft SDP and that could lead to a trade-off re producing good SPG, given that there is only so much resource available. He stressed that SDPs themselves may require SPG; this is still to be clarified. He added that it is not yet clear how the LDP nestles within SDP and that this will be an interesting dynamic – some policies might be dealt with at a strategic level – it is yet to be seen how this plays out.



## CARDIFF COUNCIL PLANNING OFFICERS VIEWS

155. The task group shared the draft main body of the report and key findings with Cllr De’Ath, Cabinet Member Transport and Strategic Planning, Simon Gilbert, Head of Planning, and Stuart Williams, Group Leader – Policy, Planning, to seek their views on the findings and to give them the opportunity to submit any additional evidence they wished the Inquiry to consider prior to the task group framing recommendations.
156. The task group arranged a meeting with Cllr De’Ath, Simon Gilbert and Stuart Williams; on the day, Cllr De’Ath was unfortunately unable to attend due to another call on his time. However, the task group met with officers to discuss the report, following which officers provided annotated copies of the draft report, containing their comments, suggested amendments to improve the clarity and accuracy of the report, and additional evidence they wished the Inquiry to consider. This included:
- The Development Plan including the National Plan and LDP are the primary bases upon which planning decisions are made.
  - The LDP must conform to the National Plan, Planning Policy Wales, Technical Advice Notes and other circulars and statutory instruments
  - Producing an LDP is agreed with Welsh Government through the preparation of a Delivery Agreement
  - Need to be clear that policies are in the LDP and not in SPG – SPG can provide further technical guidance to support an existing LDP policy.
  - LDP has to cover a large amount of policy areas and so cannot provide all the detailed technical information needed to implement LDP policies.
  - SPG are approved rather than adopted and should be formally approved at a meeting of Full Council
  - SPG often cover technical matters and therefore need to be comprehensive, rather than ‘short and snappy’, they need to be fit for purpose, clear to the target audience and possibly use plain language. It may be that an SPG has to be lengthy and quite technical.
  - SPG provide additional advice and guidance and cannot contain the criteria for deciding planning applications upfront

- SPG can be afforded significant weight when considering development proposals. The weight to be applied to SPG can vary depending on its relevance to the issue, the amount of consultation undertaken, the level of governance in approving the guidance, and other planning factors. Each development proposal has to be considered on its own merits, having regard to all factors – officers will have to consider the ‘planning balance’ in the public interest.
- There may be merit in identifying where future SPG will be required at an early stage in plan preparation and consulting on this. Work on the evidence base could then be used to inform new SPG quicker following adoption of the Plan. Likewise, existing SPG that remain fit for purpose could be brought forward quicker in early tranches on SPG preparation.
- Consultation is governed by legislation and national guidance
- Consultation listens to a variety of views and sometimes these are contradictory views
- The Council has to take into account all comments received
- Appendices in Cardiff Council’s SPG identify consultation responses and the actions/ changes made following consultation. This helps add ‘weight’ as does the fact the Council consults for a reasonable period, publicises and seeks approval of SPG through Cabinet and Council.
- Cardiff Council has been amplifying community voices, including children and young people, throughout the replacement LDP process.
- The Council has a section on its website for SPGs, including a list of approved SPG, a page for draft SPG for consultation, and a list of related Technical Guidance Notes
- There is recognition of the need for web accessibility and a wide range of user accessibility
- Welsh Government recently started a consultation on SDP preparation.
- There may be a need to consider SPG to address issues such as post pandemic recovery, cost of living crises, homelessness and affordable housing.

## APPROACH TAKEN

- M1. Members undertook this Inquiry between March – September 2022.
- M2. Members invited Cllr De'Ath, Cabinet Member – Transport and Strategic Planning, and planning officers to a meeting, and received evidence from the following internal stakeholders who contributed to the Inquiry:
- Simon Gilbert – Head of Planning
  - Stuart Williams – Group Leader – Policy, Planning.
- M3. Members also received evidence from the following external stakeholders:
- Cardiff Civic Society
    - i. Nerys Lloyd-Pierce - *Chair*
    - ii. Julia Barrell – *Vice Chair*
    - iii. Lyn Eynon
  - Cardiff Future Wellbeing Alliance
    - i. Clare James
    - ii. Terry Price
  - Cardiff University – Dr Neil Harris – *Senior Lecturer, Planning*
  - Design Commission for Wales
    - i. Carole-Anne Davies – *Chief Executive*
    - ii. Jen Heal -
  - Planning Environment Decisions Wales
    - i. Victoria Robinson – *Chief Planning Inspector*
    - ii. Tony Thickett – *Deputy Chief Planning Inspector*
  - Planning Officers Society Wales
    - i. Tom Evans (*Vice-Chair*)
- M4. The Planning Environment Decisions Wales witnesses – Victoria Robinson and Tony Thickett – emphasised that the views they expressed were their own and not those of Welsh Government.

- M5. Scrutiny Services emailed a variety of other external stakeholders, including developers and other professionals working in development and their representative bodies, offering them the opportunity to contribute to the Inquiry. Members were particularly keen to understand their perspectives. However, no responses were received from these contacts.
- M6. To inform the Inquiry, Members were provided with information detailing the policy context, and good practice examples of other local authorities Supplementary Planning Guidance.
- M7. The evidence has been used to identify suitable findings from the Inquiry.

## **FINANCIAL IMPLICATIONS**

The Scrutiny Committee is empowered to enquire, consider, review, and recommend but not to make policy decisions. As the recommendations in this report are to consider and review matters there are no direct financial implications at this stage in relation to any of the work programme. However, financial implications may arise if and when the matters under review are implemented with or without any modifications.

## **LEGAL IMPLICATIONS**

The Scrutiny Committee is empowered to enquire, consider, review, and recommend but not to make policy decisions. As the recommendations in this report are to consider and review matters there are no direct legal implications. However, legal implications may arise if and when the matters under review are implemented with or without modification. Any report with recommendations for decision that goes to Cabinet / Council will set out any legal implications arising from those recommendations. All decisions taken by or on behalf of the Council must (a) be within the legal power of the Council; (b) comply with any procedural requirement imposed by law; (c) be within the powers of the body or person exercising powers on behalf of

the Council; (d) be undertaken in accordance with the procedural requirements imposed by the Council e.g. standing orders and financial regulations; (e) be fully and properly informed; (f) be properly motivated; (g) be taken having regard to the Council's fiduciary duty to its taxpayers; and (h) be reasonable and proper in all the circumstances.

## COMMITTEE TERMS OF REFERENCE

- To scrutinise, measure and actively promote improvement in the Council's performance in the provision of services and compliance with Council policies, aims and objectives in the area of environmental sustainability including:
  - Strategic Planning Policy
  - Sustainability Policy
  - Environmental Health Policy
  - Public Protection Policy
  - Licensing Policy
  - Waste Management
  - Strategic Waste Projects
  - Street Cleansing
  - Cycling and Walking
  - Streetscape
  - Strategic Transportation Partnership
  - South East Wales Transport Alliance
  - Transport Policy and Development
  - Intelligent Transport Solutions
  - Public Transport
  - Parking Management
  
- To assess the impact of partnerships with and resources and services provided by external organisations including the Welsh Government, joint local government services, Welsh Government Sponsored Public Bodies, and quasi-departmental non-governmental bodies on the effectiveness of Council service delivery.
  
- To report to an appropriate Cabinet or Council meeting on its findings and to make recommendations on measures, which may enhance Council performance or service delivery in this area.

## Environmental Scrutiny Committee Membership



Councillor Owen Jones (Chair)



Councillor Bob Derbyshire



Councillor Jackie Parry



Councillor Jamie Green



Councillor Helen Lloyd Jones



Councillor Bethan Procter



Councillor John Lancaster



Councillor Ashley Wood



Councillor Andrea Gibson

## APPENDIX 1

### Local Listing

Cardiff Civic Society raised the issue of local listing of buildings, stating the last local listing in Cardiff was in 1997. They are concerned CADW has an anti-urban bias, with Powys have eight times as many listed buildings as Cardiff.

Inquiry Members explored local listing with witnesses, who clarified that:

- CADW listing system is good but leaves a serious gap as there are numerous examples of buildings that are important to local communities, but which do not meet CADW's architectural heritage and merit bar
- Local listing is a legacy issue from the 1990's before the system changed – most local authorities do not add to them – they date back to Grade 1,2 and 3 listings, where local lists were Grade 3
- Local listing is an additional consideration, but it lacks statutory weight so limited what designation as a local listed building would add.
- Local listing offers no additional statutory protections. A planning officer or planning decision maker or planning inspector would have to actively consider the local listing, so it is not true to say it does not add anything but as it offers no statutory protection, it is a very marginal consideration
- Article 4 directives are cumbersome and bring financial and legal implications for local authorities, such as compensation, which is why the tool is there but is quite limited.
- Article 4 directives must be approved by Welsh Government, who are in turn advised by CADW, who would have turned down listing the building in the first place as it did not meet CADW's architectural heritage and merit bar
- There needs to be a discussion between local authorities, Welsh Government, CADW, WLGA and POSW to find mechanisms to safeguard these buildings.

Dr Harris explained, in his view, there is merit in local listing and engaging local communities, working with them to identify buildings that are important to them – such as Roath Park Pub – in terms of special architectural interest, as they could be candidates for future statutory listed buildings. In England, the system is different in that the Localism Act 2011 established tools such as 'assets of community value' and 'community right to bid' – he stated that he is not sure how effective these have been but at least they have tools to protect buildings of interest to communities but might not have special architectural interest.





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**SHARED PROSPERITY FUND UPDATE**

**LEADER OF THE COUNCIL**

**AGENDA ITEM: 3**

**Reason for this Report**

1. To update Cabinet on the progress of the implementation of the Shared Prosperity Fund in the Cardiff Capital Region.
2. To establish the governance and decision-making processes for the implementation of the fund in Cardiff.
3. To propose an initial spending profile for year one, and the overall strategy for implementation for years two and three.

**Background**

4. In April the UK Government published details on the new £2.6bn Shared Prosperity Fund. The funding is allocated to places across the UK on a needs basis, with details on the allocations and the methods of determining levels of funding made available on the UK Government website. The UKSPF aims to support the UK government's Levelling Up objectives by:
  - Boosting productivity, pay, jobs and living standards by growing the private sector, especially in those places where they are lagging;
  - Spreading opportunities and improve public services, especially in those places where they are weakest;
  - Restoring a sense of community, local pride and belonging, especially in those places where they have been lost; and
  - Empowering local leaders and communities, especially in those places lacking local agency.
5. To do this it has identified three investment priorities:
  - Community and Place
  - Supporting Local Business; and
  - People and Skills
6. There is also a dedicated element of the fund that sits under the People and Skills priority, Multiply, which seeks to improve adult numeracy skills.

7. For each of these priorities there are a number of specific objectives for Wales. Each objective also has a set of proposed interventions, which detail the types of activity that can be supported by the Shared Prosperity Fund. Details on the objectives and interventions are available on the UK Government website.
8. The Shared Prosperity Fund prospectus outlines that every place in the UK would receive funding as part the commitment to level up all parts of the UK. As set out at Spending Review 2021, the Fund is worth £2.6 billion over the period from 2022-23 to 2024-25. Funding increases annually over the course of the programme and will ramp up to £1.5 billion in 2024-25. Of the £2.6bn, circa £585m has been allocated to Wales, with a specific Multiply allocation of circa £100m. Within Wales allocations have been made on a local authority basis, based on the following formula:
  - 40% of funding is allocated on a per capita basis across Wales.
  - 30% of the allocation uses the same needs-based index previously used to identify UK Community Renewal Fund priority places.
  - 30% are allocated using the Welsh Index of Multiple Deprivation.
9. The subsequent initial allocations for Cardiff are therefore:

**Cardiff allocation**

Core SPF	£34,587,594
Multiply	£7,219,740
<b>Total</b>	<b>£41,807,334</b>

10. It should be noted that this is a notional allocation, and that the level of support for local areas is determined through the agreement of an Investment Plan and subsequent approval by the UK Government. In Wales these plans have been produced on a regional basis, meaning that for South-East Wales a plan must be developed for the Cardiff Capital Region footprint.
11. Throughout the summer Rhondda Cynon Taf have led the development of the Investment Plan on behalf of the ten local authorities of the Cardiff Capital Region. The plan has been developed in partnership with the constituent local authorities.
12. Cardiff Council's initial approach to the Shared Prosperity Fund was outlined in the July Shared Prosperity Fund Cabinet Report, which was based upon the city's Covid-19 Recovery Strategy *Greener, Fairer, Stronger*.
13. For the Communities and Place theme it was proposed that the following programmes will be established:
  - Neighbourhood and Community Regeneration Programme

- Community Capacity Building Programme
  - Growing our Cultural Capital
  - Resilient and Sustainable Communities Programme
14. For the Supporting Local Business theme, it was proposed that the following programmes will be established:
- Productive, Sustainable and Inclusive Business Programme
  - City Centre Recovery Programme
15. For the People and Skills theme, it was proposed that the following programmes will be established:
- Into Work expansion
  - Money Advice
  - Developing the Cardiff Commitment
16. A key element of the Regional Investment Plan was to identify an initial profile of spend against each of the priority areas of Community and Place, Supporting Local Business and People and Skills. Broadly profiling spend against these priorities based on the potential activity as outlined above the Cardiff Council proposal suggest a spend profile of 45% for Communities and Place; 28% for Supporting Local Business; and 27% for People and Skills.
17. The Regional Investment Plan collated responses from all ten local authorities to provide an overall profile of spend to be submitted to the UK Government as part of the investment plan. It should be noted that UK Government officials have indicated that the plan would only need to be indicative and that there is substantial flexibility in moving funding between priority areas.
18. Subsequently the investment plan submitted by Rhondda Cynon Taf in August outlined a spend profile of 47% for Communities and Place; 23% for Supporting Local Business; and 30% for People and Skills (note these proportions exclude Multiply). A summary of the overall submission is provided below.

### **Regional Investment Plan – Initial Regional Profile (£m)**

		<b>22/23</b>	<b>23/24</b>	<b>24/25</b>
Communities and Place	Revenue	9.0	14.3	36.2
	Capital	5.7	5.6	38.4
Supporting Local Business	Revenue	4.3	6.8	19.8
	Capital	2.9	3.5	14.9
People and	Revenue	5.8	25.3	36.6

Skills	Capital	0.3	0.4	0.6
Multiply	Revenue	7.3	15.1	15.9
	Capital	-	-	-

19. The Regional Investment Plan also included an allocation for the Cardiff Capital Region to deliver regional programmes and projects, based around place promotion and supporting key sectors. This allocation amounted to £3.3m, circa 1.5% of the total allocation for the region.
20. The Regional Investment Plan proposed that projects and initiatives will be taken forward via a mix of delivery models considered best suited to the activities proposed and at a delivery level considered to be the most appropriate for the area. It is likely that this will involve competition for grant funding, procurement of service providers, commissioned third party organisations and directly managed and delivered provision by local authorities.
21. The Regional Investment Plan also recognised that during the period between submission and determination of the Regional Investment Plan, a comprehensive assessment methodology will be considered on a regional basis for dealing with submissions covering more than one local authority area for SPF funding that come in from external bodies to a single Local Authority in the region and to multiple Local Authorities in the region.

#### Next steps

22. The timeline proposed by the UK Government for the implementation of the Shared Prosperity Fund is outlined below.

<b>When</b>	<b>Activity</b>
1 August 2022	Investment plan window closes
July – Sept 2022	Indicative investment plan assessment period for UK government
Oct 2022 onwards	Anticipated date for first investment plans to be approved
Oct 2022 onwards	Anticipated first payment to be made to lead local authorities
March 2025	Three-year funding period ends

23. In anticipation of funding being made available from October onwards the July Cabinet Report resolved to:

- a) Delegate authority to the Director of Economic Development, in consultation with the Section 151 Officer, the Corporate Director People & Communities, the Director of Education & Lifelong Learning and the Director of Planning, Transport & Environment to establish an internal programme management team.
  - b) Delegate authority to the Chief Executive, in consultation with the Leader of the Council to develop a detailed governance and delivery framework for the operation of the Shared Prosperity Fund in Cardiff.
  - c) Agree and enter into all legal agreements with the Lead Body and partner authorities in connection with the Shared Prosperity Fund, subject to legal advice.
24. Subsequently work has been undertaken to establish the internal programme management team and develop the governance and delivery mechanisms. In summary, these actions required the development of:
- 1) Governance Arrangements, including approval processes
  - 2) Communications and Engagement Plan
  - 3) An internal delivery, monitoring and evaluation team

#### **Governance arrangements, including approval processes**

25. Governance arrangements are required to ensure that there are clear processes in place for allocating funding, and for decision for the approval of projects and programmes. These processes will also need to be in line with the Council's constitution, enabling the Council to deliver the Shared Prosperity Fund through the means of delivery identified in the Shared Prosperity Fund Prospectus, namely:
- In-house provision
  - Procurement of service provision
  - Commissioning third party organisations
  - Grants to public or private organisations
26. Reflecting these requirements, governance arrangements are proposed that aim to ensure that Cardiff's approach to delivering the Fund is:
- Led by the city's key strategic priorities, as outlined in Stronger, Fairer, Greener
  - Aligned with partnership priorities (where applicable)
  - Meets community, business, and city-wide needs
  - Aligned with existing investments
  - Does not duplicate any existing investment or provision
  - Provides value for money

#### **Shared Prosperity Fund Programme**

27. It is proposed that the Cabinet will have the responsibility for the approval of a Shared Prosperity Fund Programme. The Programme, which will be updated annually, will outline the broad themes of activity, and is led by

the Council's Stronger, Fairer, Greener Strategy. The Programme also reflects partnership priorities where these are relevant to the Shared Prosperity Fund.

28. The Programme outlines areas of interventions with indicative allocations of funding in these areas, as well as proposed means of implementation. The Programme is attached as Appendix 1.
29. It is intended that the Programme will be reviewed by the Public Service Board, as well as the business representative groups FOR Cardiff, FSB and Cwmpas. Collectively these groups will make recommendations for potential changes to the programme, as well as ensure that there is alignment with partnership activity in the delivery of the Shared Prosperity Fund Programme. Ultimate decision making for the Programme however sits with the Cabinet.
30. The Cabinet will also be responsible for the approval of a biannual monitoring report, which will shape and influence any future changes to the Shared Prosperity Fund Programme. This report will also be reviewed by the Public Service Board and business representative groups.
31. The Programme will be reviewed on an annual basis, with a revised Programme to be approved by the Cabinet in consultation with the Public Service Board, as well as the business representative groups FOR Cardiff, FSB and Cwmpas.

#### Shared Prosperity Fund Delivery Team

32. The Shared Prosperity Fund Delivery Team (noted in paragraph 41 below), established within Cardiff Council, will be tasked with working with service areas in the Council to deliver the Shared Prosperity Fund Programme once approved. This will include the assessment and approval of any spending proposals subject to the SPF approval process, outlined in Appendix 2.
33. The team will also monitor progress and work directly with the Lead Authority to ensure appropriate reporting mechanisms are in place and are adhered to. In addition, the Shared Prosperity Fund Delivery Team will also undertake community engagement and communication to shape future elements of the Shared Prosperity Fund Programme.
34. Further support will also be provided by C3SC who will support enhanced community engagement, as well as support for the third sector to access Shared Prosperity Fund opportunities.

#### **Year One Programme (October 2022 to March 2023)**

35. An initial 'year one' plan has also been developed, informed by the city's recovery strategy, to ensure that Cardiff can effectively and efficiently use its allocation in the first financial year of the scheme.



36. It is anticipated that the year one plan will need to adopt a pragmatic approach as a result of the short timescales required for delivery. As such this will focus on activity identified within the Council that has already been developed with key stakeholders and partners that can be implemented at relatively short notice. This will also include an element of grant support for community activity and businesses, as well as addressing the impact of a reduction of ESF and other external funding for areas such as the Into Work services team. A profile of the spend for year one is outlined in Appendix 3.
37. The profile also includes commitments in years two and three that will cover areas where initial commitments are likely to recur, such as employee costs. These commitments will also include allocations intended to be delivered either through, or in partnership with community organisations and other third sector bodies. This will include resources to enable further engagement and discussion with the third sector to determine and shape the future development of the city's Shared Prosperity Fund Programme.
38. Given the short timescales involved it is also proposed that there is flexibility built into the year one programme to allow for any variance arising from the ability to commit year one funding. Any variance would need to be confined to the context of the Shared Prosperity Fund Programme and the Regional Investment Plan. Further flexibility will also be required in responding to any potential changes in conditions of the Shared Prosperity Fund introduced by the UK Government, any necessary changes to the Regional Investment Plan, and any requirements that emerge as further details of the Shared Prosperity Fund are clarified. These changes may also relate to any specific Shared Prosperity Fund criteria imposed. There will also be flexibility to re-allocate any underspends within any of the proposed interventions, subject to review by the Shared Prosperity Fund Delivery Team and alignment with the Regional Investment Plan.

### **Years Two and Three Programme (April 2023 to March 2025)**

39. The programme for years two and three will be subject to further development over the rest of the financial year. Year three in particular will see the highest allocation for the Shared Prosperity Fund and hence the greatest opportunity to shape potential projects and delivery options.
40. The overall proposals will be subject to further engagement with communities and businesses and is expected to include a wider call for projects and programmes, including potential regional projects and programmes subject to approvals from relevant partners. There will also be some continuation of successful year one projects subject to review, as well as the potential to revise the delivery of projects and schemes allocated funding in the Year One Programme. As outlined in paragraph 38 above, flexibility will also be required in responding to any potential changes in the Shared Prosperity Fund introduced by the UK Government, and any necessary changes to the Regional Investment Plan.

## **Delivery Arrangements**

41. In anticipation of the delivery of the Shared Prosperity Fund a team has been established (the Shared Prosperity Fund Delivery Team) to ensure that adequate monitoring and compliance processes are in place and are adhered to. The team will be responsible for ensuring that all project sponsors are aware of the requirements of accessing funding. The team will also ensure that appropriate financial planning is in place to ensure that any potential over or underspends are identified early in the financial planning process. The team will be led by officers in the Communities and Economic Development directorate.

## **Communication and Engagement**

42. A communications and engagement plan will be developed by the Shared Prosperity Fund Delivery Team which includes community events, and online platform, as well as identifying routes for potential projects and programmes to be developed. Initial engagement with partner organisations has already taken place, including a workshop event at City Hall in October.
43. In addition, it is proposed to allocate funding to Cardiff Third Sector Council (C3SC) to support the programme in both communicating with community organisations to shape the strategy, as well as support organisations in accessing funding from the Shared Prosperity Fund.

## **Scrutiny Consideration**

44. The Economy & Culture Scrutiny Committee will be considering this item on 16 November. Any comments received will be reported at the Cabinet meeting.

## **Reason for Recommendations**

45. To note the update on the development of Shared Prosperity Fund proposals.
46. To agree the draft Shared Prosperity Fund Programme and associated Governance arrangements.
47. To agree the Year One Delivery Plan.

## **Legal Implications**

48. Legal Services understand from the body of the report that the Shared Prosperity Fund will result in grant income to the Council to support specific projects. Accordingly, any expenditure will need to be in accordance with the terms and conditions of the grant.
49. A number of potential projects are proposed to be funded by the Shared Prosperity Fund. Legal advice should be obtained on each such scheme

and initiative prior to being implemented to ensure the same can be achieved within legal constraints.

50. To the extent that any proposed scheme and initiative involves the procurement of works, goods or services then the Council must comply with its Contract Standing Orders and Procurement Rules and procurement legislation.
51. In addition, to the extent that any of the proposed schemes and initiatives are dependent on the making of any orders or the obtaining of any consents or the like then it will be necessary to follow the appropriate statutory processes. By way of example only if a scheme is dependent on the making of a traffic regulation order (TRO) then the outcome cannot be guaranteed as individuals have the right to object. Due and proper consideration would need to be given to any such objections in determining how to proceed.

### **Consultation and Engagement**

52. The report refers to a public consultation/engagement exercise being undertaken in relation to proposed projects. It should be noted that any consultation and engagement must (a) be carried out when the proposal is at a formative stage (b) consultees must be given sufficient information to understand the project and to respond (c) consultees must be given sufficient time to respond and (d) responses must be conscientiously taken into account when finalising the relevant decision as a consultation exercise gives rise to the legitimate expectation that due regard will be given to the outcome of the consultation in determining the way forward.

### **Equality Duty**

53. In considering this matter, the Council must have regard to its public sector equality duties under the Equality Act 2010 (including specific Welsh public sector duties). This means the Council must give due regard to the need to (1) eliminate unlawful discrimination, (2) advance equality of opportunity and (3) foster good relations on the basis of protected characteristics. The protected characteristics are: age, gender reassignment, sex, race – including ethnic or national origin, colour or nationality, disability, pregnancy and maternity, marriage and civil partnership, sexual orientation, religion or belief – including lack of belief.
54. When taking strategic decisions, the Council also has a statutory duty to have due regard to the need to reduce inequalities of outcome resulting from socio-economic disadvantage ('the Socio-Economic Duty' imposed under section 1 of the Equality Act 2010). In considering this, the Council must take into account the statutory guidance issued by the Welsh Ministers (WG42004 A More Equal Wales the Socio-economic Duty Equality Act 2010 (gov.wales) and must be able to demonstrate how it has discharged its duty.

## Well Being of Future Generations (Wales) Act 2015

55. The Well-Being of Future Generations (Wales) Act 2015 ('the Act') places a 'well-being duty' on public bodies aimed at achieving 7 national well-being goals for Wales – a Wales that is prosperous, resilient, healthier, more equal, has cohesive communities, a vibrant culture and thriving Welsh language, and is globally responsible.
56. In discharging its duties under the Act, the Council has set and published well-being objectives designed to maximise its contribution to achieving the national well-being goals. The well-being objectives are set out in Cardiff's Corporate Plan 2021-24. When exercising its functions, the Council is required to take all reasonable steps to meet its well-being objectives. This means that the decision makers should consider how the proposed decision will contribute towards meeting the well-being objectives and must be satisfied that all reasonable steps have been taken to meet those objectives.
57. The well-being duty also requires the Council to act in accordance with a 'sustainable development principle'. This principle requires the Council to act in a way which seeks to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs. Put simply, this means that Council decision makers must take account of the impact of their decisions on people living their lives in Wales in the future. In doing so, the Council must:
- Look to the long term
  - Focus on prevention by understanding the root causes of problems
  - Deliver an integrated approach to achieving the 7 national well-being goals
  - Work in collaboration with others to find shared sustainable solutions
  - Involve people from all sections of the community in the decisions which affect them
58. The decision maker must be satisfied that the proposed decision accords with the principles above; and due regard must be given to the Statutory Guidance issued by the Welsh Ministers, which is accessible using the link below:

<http://gov.wales/topics/people-and-communities/people/future-generations-act/statutory-guidance/?lang=en>

### General

59. The Council has to be mindful of the Welsh Language (Wales) Measure 2011 and the Welsh Language Standards when making any policy decisions and consider the impact upon the Welsh language, the report and Equality Impact Assessment deals with all these obligations. The Council has to consider the Well-being of Future Guidance (Wales) Act

2015 and how this strategy may improve the social, economic, environmental and cultural well-being of Wales.

### **Financial Implications**

60. Subject to approval of an investment plan, the Shared Prosperity Fund will result in additional grant income to the Council to support specific projects identified by the Council. Any expenditure will need to make the maximum impact in meeting the aims identified in the funding and be in accordance with the terms and conditions of the grant which do include ongoing monitoring of outcomes, clear expenditure deadlines and specific grant allocations to be spent by the end of each financial year etc. Resources and controls will need to be in place to support the grant reporting and administration processes. The grant allows a proportion of the award to be used towards such administration costs and post project appraisal should be undertaken in accordance with best practice to report the outcomes achieved.

### **HR Implications**

61. The HR implications of any specific projects should be identified at the commencement of the project and any resourcing within the Council will be compliant with the Council's policies and procedures.

### **Property Implications**

62. There are no direct property implications resulting from this report. Any future proposals relevant to council land and property resulting from the recommendations of the report, should be undertaken with the relevant professional advice and in accordance with the established asset management governance processes.

## **RECOMMENDATIONS**

Cabinet is recommended to:

- a) Note the update on the development of Shared Prosperity Fund proposals.
- b) Subject to recommendation (c) approve the draft Shared Prosperity Fund Programme and associated Governance arrangements.
- c) Delegate authority to the Chief Executive in consultation with the Leader of the Council to make amendments to the Shared Prosperity Fund Programme following consultation with the partners set out in paragraph 29 to this report.
- d) Subject to recommendation (e) approve the Year One Delivery Plan.
- e) Delegate authority to the Chief Executive in consultation with the Leader of the Council to vary the Year One Delivery Plan when appropriate to do so in line with paragraphs 35 to 38 to this report.

<b>SENIOR RESPONSIBLE OFFICER</b>	<b>Neil Hanratty</b>
	11 November 2022

*The following appendices are attached:*

- Appendix 1: Draft SPF Programme
- Appendix 2: SPF Approval Process
- Appendix 3: Year One Delivery Plan



Appendix 1:

# Shared Prosperity Fund Draft Local Programme



## Introduction

In April the UK Government published details of the new £2.6bn Shared Prosperity Fund. The funding is allocated to places across the UK on a needs basis, details on the allocations are available on the UK Government website. The UKSPF will support the UK Government’s Levelling Up objectives, namely to:

- Boost productivity, pay, jobs and living standards by growing the private sector, especially in those places where they are lagging;
- Spread opportunities and improve public services, especially in those places where they are weakest;
- Restore a sense of community, local pride and belonging, especially in those places where they have been lost;
- Empower local leaders and communities, especially in those places lacking local agency.

To do this it has three investment priorities:

- Community and Place
- Supporting Local Business; and
- People and Skills

Table 1 below outlines in more detail the three investment priorities. There is also a dedicated element of the fund that sits under the People and Skills priority, Multiply, which seeks to improve adult numeracy skills. For each of these priorities there are a number of objectives for Wales. These are summarised below. Each objective also has a set of proposed interventions, which detail the types of activity that can be supported by the Shared Prosperity Fund. Details on the objectives and interventions are available on the UK Government website.

**Table 1: Shared Prosperity Fund Priorities and Objectives**

Priority	Objective
Communities and Place	<ul style="list-style-type: none"> <li>• Strengthening our social fabric and fostering a sense of local pride and belonging, through investment in activities that enhance physical, cultural and social ties and amenities, such as community infrastructure and local green space, and community-led projects.</li> <li>• Building resilient, safe and healthy neighbourhoods, through investment in quality places that people want to live, work, play and learn in, through targeted improvements to the built environment and innovative approaches to crime prevention.</li> </ul>
Supporting Local Business	<ul style="list-style-type: none"> <li>• Creating jobs and boosting community cohesion, through investments that build on existing industries and institutions, and range from support for starting businesses to visible improvements to local retail, hospitality and leisure sector facilities.</li> <li>• Promoting networking and collaboration, through interventions that bring together businesses and partners within and across sectors to share knowledge, expertise and resources, and stimulate innovation and growth.</li> </ul>
People and Skills	<ul style="list-style-type: none"> <li>• Boosting core skills and support adults to progress in work, by targeting adults with no or low-level qualifications and skills in maths, and upskill the working population.</li> <li>• Reducing levels of economic inactivity through investment in bespoke intensive life and employment support tailored to local need.</li> </ul>



- Supporting people furthest from the labour market to overcome barriers to work by providing cohesive, locally tailored support, including access to basic skills.
- Supporting local areas to fund gaps in local skills provision to support people to progress in work, and supplement local adult skills provision.

## Funding Allocations

The UK Government published allocations for every local authority in Wales, which aggregates to £278m across the ten local authorities of South East Wales, of which £48m is allocated specifically for the Multiply programme. This funding is allocated on an annual basis and will conclude in March 2025.

Within Wales allocations are made on a local authority basis, based on the following formula:

- 40% of funding is allocated on a per capita basis across Wales.
- 30% of the allocation uses the same needs-based index previously used to identify UK Community Renewal Fund priority places.
- 30% are allocated using the Welsh Index of Multiple Deprivation.

Table 2 outlines Cardiff's allocation below.

**Table 2: Cardiff allocation**

Core SPF	£34,587,594
Multiply	£7,219,740
Total	£41,807,334

This figure represents a notional allocation, and that the level of support for local areas is determined through the agreement of an Investment Plan. In Wales these plans have been produced on a regional basis, meaning that for South-East Wales a plan must be developed for the Cardiff Capital Region footprint. In addition, up to 4% of the fund can be allocated to administration, whilst some funding will also be allocated for regional working.

## Regional Investment Plan

In order to unlock the funding, the UK Government first needs to approve an Investment Plan. In Wales these plans have been developed on a regional basis, meaning that for South East Wales a plan must be developed for the Cardiff Capital Region footprint. To do this the local authorities of the Cardiff Capital Region identified Rhondda Cynon Taf as the lead authority to bring together the plan. The regional plan outlines the proposed overall profile of spend to be submitted to the UK Government as part of the investment plan. It should be noted that UK Government officials have outlined that the plan would only need to be indicative and that there is substantial flexibility in moving funding between priority areas.

A summary of the proposed profile of spend submitted to the UK Government is provided in tables 3, 4 and 5 below.

**Table 3: Overall Spending Profile (£m)**

		22/23	23/24	24/25
Communities and Place	Revenue	9.0	14.3	36.2
	Capital	5.7	5.6	38.4
Supporting Local Business	Revenue	4.3	6.8	19.8
	Capital	2.9	3.5	14.9
People and Skills	Revenue	5.8	25.3	36.6
	Capital	0.3	0.4	0.6
Multiply	Revenue	7.3	15.1	15.9
	Capital	-	-	-

**Table 4: Regional Investment Plan – Initial Regional Profile – Spend by Priority (%)**

	22/23	23/24	24/25
Communities and Place	41.7	28.0	45.9
Supporting Local Business	20.5	14.6	21.4
People and Skills	17.2	36.2	22.9
Multiply	20.6	21.3	9.8

**Table 5: Regional Investment Plan – Initial Regional Profile – Spend by Type (%)**

	22/23	23/24	24/25
Capital Floor	10.4	12.5	17.9
Capital Proposed in RIP	25.2	13.4	33.2
Revenue	74.8	86.6	66.8

## Local Context

In formulating the Cardiff response to the Shared Prosperity Fund the following strategies were taken into consideration:

- Stronger, Greener, Fairer, the Council's 5-year strategy
- The Council's Covid Recovery Strategy
- Key partner strategies

Led by Stronger, Greener, Fairer, the Council's 5-year strategy, these strategies will inform the development of the Shared Prosperity Fund Programme, and its overall objectives in Cardiff.

### **Stronger, Greener, Fairer**

Stronger Fairer Greener are the themes that will be at the heart of the Council's agenda over the next five years.

- A stronger city, with an economy creating and sustaining well-paid jobs, with an education system that helps our young people reach their potential, with good, affordable housing in safe, confident, and empowered communities, all supported by well resourced, efficient public services.
- A fairer city, where the opportunities of living in Cardiff can be enjoyed by everyone, whatever their background, where those suffering the effects of poverty are protected and supported, where a fair day's work receives a fair day's pay, and where every citizen is valued and feels valued.
- A greener city which, through our One Planet Cardiff programme, takes a lead on responding to the climate emergency, which celebrates and nurtures biodiversity, with high-quality open spaces within easy reach for rest and play which are connected by convenient, accessible, safe sustainable transport options.

Stronger Fairer Greener commits to developing a powerhouse economy that delivers economic prosperity, not just for the residents of Cardiff, but for the people of Wales. It established a response to the climate emergency by accelerating the transition by convening a city-wide approach to climate change. And, crucially, it aims to make Cardiff a fairer city, where the opportunities and advantages of living here can be enjoyed by everyone, whatever their background.

To that end, Stronger Fairer Greener establishes the framework for the overall Shared Prosperity Fund Programme for Cardiff. It establishes the basis for working with partners – across all sectors, across all levels of Government and across regional and national boundaries- to deliver a stronger, fairer, greener city.

Stronger Fairer Greener also outlines several key areas to progress its ambitions directly aligned with the Shared Prosperity Fund, including:

## Communities and Place

*We will continue to invest in our communities, through our expanding network of Community and Wellbeing Hubs and through an enhanced programme of community and district centre regeneration schemes. Allied to this, we will continue to work with the Police to make sure communities in Cardiff are safe, tackle anti-social behaviour and, together, do all we can to prevent people, particularly our young people, from falling into crime or being exploited by criminals.*

*Our parks and green spaces, as well as our capital city's culture, entertainment and sports scene, are a big part of what makes Cardiff such a great place to live. The pandemic and the lockdowns underlined how important our parks are to our health, happiness and wellbeing. That is why we will invest in our parks and green spaces, with a focus on improving those in our most deprived communities.*

*We have a cultural and sporting infrastructure that can host major international events, and local creative and sporting talent, and venues to rival any city. As we rebuild the cultural, sporting and events economy post-Covid, we will set out a new programme to bring major events to Wales, and through working with local artists and musicians, we will promote local talent, preserve local venues and develop a new signature event that presents the best of Cardiff and Wales to the world.*

*We will also deliver our commitment to put the views of children and young people at the heart of our policy agenda through becoming the first British city to be awarded Child Friendly City status. In doing so, we will place a particular focus on supporting our most vulnerable children, from supporting them and their families in their early years and through school, to the world of work and higher education.*

*Our ambition is for Cardiff to be a place where everyone can start well, live well and age well, and social services will play a crucial role in making this a reality. We will ensure Cardiff is a great place to grow old. We value the contribution that older people make to the life of the city, and we will provide a range of opportunities to help them to stay active and connected to their community and to support their continued physical and mental wellbeing. For those who are unfortunately suffering poor health, we will do all we can to help them to remain in their own homes and communities – and out of hospital or a care setting – for as long as possible.*

*We are also living in a climate emergency. We understand that urgent action is needed if we are to avert the dangers ahead and, through our One Planet Cardiff Strategy, have set out a wide range of ambitious actions that will deliver the transition to a net zero Council and net zero Cardiff in a way that supports new green economies and greater social wellbeing in the city.*

*The coming five years will be crucial. Achieving our One Planet aspirations will require action across everything we do. We will need to identify local sources of renewable energy, invest in sustainable transport and retrofit housing. We will need to enhance our city's already excellent green spaces, upgrade our flood defences and improve our recycling rates to be amongst the highest for any city anywhere. In doing so, we can make Cardiff a city known across the world for action on climate change and as a world-leading centre for low carbon industries and innovation.*

*Our ambition for transport is to fundamentally transform the way people move around the city, reducing the dependency on private cars whilst making it easier, safer and cheaper for people to walk, cycle or use public transport. This will mean more bike lanes, bus lanes, and 20mph roads, new metro stations and routes, and a commitment to new low-cost bus fares. This will all make a decisive contribution to tackling the climate emergency, addressing inequality and promoting inclusive economic growth.*

### Supporting Local Business

*News of the death of cities, much reported over the pandemic, has been greatly exaggerated. While home and agile working will impact on how cities are used by businesses and workers, and city centres will have to adapt to the shift to online retail, agglomeration, innovation and creativity will continue to drive economic growth and jobs. As Wales's core city, Cardiff will continue to play a leadership role in the Welsh economy post-Covid.*

*The Council will work with local businesses and investors to lead the city economy's recovery and renewal. We will create the right environment for our home-grown business to succeed, while working with partners to attract new, innovative companies to Cardiff. Together, we will build a stronger, greener and fairer economy, delivering greater investment, stronger businesses and, ultimately, more and better jobs for the people of Cardiff.*

### People and Skills

*Tackling long-term poverty and inequality is at the heart of all our policy commitments. The priority over the next 5 years will be to help our residents with the cost-of-living crisis and close the inequality gap that, in many cases, has been made worse by the recent pandemic. As we did throughout the Covid pandemic, we will make sure that the long-term prospects of children and young people are front and centre of our thinking and decision making. We will therefore make sure that we have a great youth service offer available across the city, meeting the needs of children across our different communities. We will provide opportunities for them to access modern play facilities, gain experiences and be supported into training and employment when they leave school. This will mean that the jobs and opportunities that become available through our ambitious programme of house building and city regeneration deliver for young people and local communities.*

## Covid Recovery Strategy

The Shared Prosperity Fund Programme also reflects the missions identified in the Covid Recovery Strategy, which outlined the city's response to the coronavirus pandemic. As part of this response several key missions were established:

- Mission 1: Reimagine the City Centre
- Mission 2: A City for Everyone
- Mission 3: A 15 Minute City
- Mission 4: Culture and sport-led renewal
- Mission 5: Tech City
- Mission 6: One Planet Recovery

The Strategy was informed by a series of engagement sessions and stakeholder events took place from June to October 2021. These events were hosted online, with the first an open event chaired by Professor Gillian Bristow, Head of Cardiff University's School of Geography and Planning. This event saw the city's recovery debated between Cllr Huw Thomas, the Leader of Cardiff Council and Dr Tim Williams, a leading expert of global cities. Cardiff businesses were also invited to attend a further session with Dr Tim Williams alongside Cllr Russell Goodway, Cabinet Member for Investment and Development, to discuss the recovery from the business perspective.

Sustrans hosted an additional session focussing on liveable cities and towns for everyone. Facilitated by Christine Boston, Director, Sustrans it featured Cllr Caro Wild, Cabinet Member for Strategic Planning and Transport, Cardiff Council and Ali Abdi, Community Gateway Partnership Manager, Cardiff University. A Communities of the Future engagement session was also facilitated by Professor Gillian Bristow that looked at how cities will need to address the long-term drivers of health inequalities, including providing access to good jobs, housing and education to citizens in more deprived communities. Cllr Lynda Thorne, Cabinet Member for Housing and Communities, Cardiff Council and Bernadette Kinsella, Director Powell Dobson were the speakers for this session.

A series of officer led engagement sessions were also undertaken throughout the same period with the Economic Task Force, C3SC, FOR Cardiff (with separate sessions for directors and members), the Race Equality Taskforce, and the What Next? Cymru group.

The Council's Child Friendly City Team was also engaged to ensure that the opinions of the city's youth were captured, and this was achieved through a series of workshops that were undertaken in October 2021 with both primary and secondary schools across Cardiff. In addition, the Cardiff Youth Council have also identified a number of key missions as priorities for their consideration.

To supplement our activity further a Recovery and Renewal Survey produced by Cardiff Research Centre was undertaken that was open to all residents. There were 1,746 valid responses to the survey. A number of key themes have emerged from the engagement exercise, notably:

- Accessibility, cleanliness, and open spaces are important for the city centre
- Feeling safe is important for city and district centres
- Concerns over homelessness, both for those impacted, and the impact on the city centre
- Recruitment issues persist in many foundational economy sectors
- Support for more open and green spaces across the city, and protecting existing space
- Better transport infrastructure underpinned almost all missions

- Skills and education were also critical to all missions
- The need to recognise the interconnection between health and economic outputs
- The need to promote and support activities for young people generally
- Comprehensive support for a ‘culture and sport-led’ renewal
- Support for a focus on supporting a tech-led renewal
- Comprehensive support for delivering the ‘One Planet Strategy’

A further summary of the Key Missions and elements relevant to the Shared Prosperity Fund is provided below.

#### Key Issues - Mission 1: Reimagine the City Centre

- Cleanliness, safety and accessibility were key issues raised in both engagement sessions and the survey feedback.
- Investment in public open space, including green space, was welcomed by all groups.
- Transport remains a critical component of the city centre.
- Recruitment issues were raised as important issues in the business engagement sessions.
- Supporting local home-grown businesses was also seen as a way of making the city centre more interesting.

#### Key Issues – Mission 2: A City for Everyone

- The link between health and economic outcomes was also noted as a key issue, and the need for public services, housing and local regeneration to reflect health outcomes.
- Linking business and education was seen as important – as was recognising recruiting public sector workers is also a constraint to improving local services.
- Improved public transport was also raised as an essential part of improving access for all.
- Anti-social behaviour was also raised by a number of respondents in the survey.
- Respondents from a minority ethnic background were also more likely to raise the need to provide additional support for young people, including extra-curricular activity.
- A need for data to understand the impact of policy on different groups was noted.

#### Key Issues – Mission 3: A 15 Minute City

- Improved transport connectivity was seen as the key issue in creating the 15 Minute City in both group discussions and the survey responses.
- The better curation of district centres was also supported in surveys and discussions, including a more prominent public services role.
- Investment in regeneration and sustainable housing was also supported in survey work.
- The theme of ‘safe, green and clean’ emerged in all sessions and survey outputs.

#### Key Issues – Mission 4: Culture and sport-led renewal

- Comprehensive support for the need to put art and culture at the heart of the city’s recovery.
- Investing in creative infrastructure and skills was also widely supported.



- There was significant support for the city's Music Strategy and proposed new Signature Event.
- Accessibility for sporting and cultural uses was raised consistently.

#### Key Issues – Mission 5: Tech City

- Need for a focus on knowledge-based industries to drive better growth.
- Infrastructure is critical – including digital connectivity.
- Support for establishing Cardiff as a 'Tech Hub'.

#### Key Issues – Mission 6: One Planet Recovery

- Support for delivering the 'One Planet Strategy'.
- Flood protection also raised as a priority for many residents.
- Retrofit schemes especially popular in the city's more deprived communities.
- Active and public transport also priorities for younger less affluent communities.
- The need to protect green space was also noted by a number of respondents.

## Cardiff Well-being Plan

The Cardiff Well-being plan contains the following objectives that have been taken into account in formulating the city's Shared Prosperity Fund Programme:

- Well-being Objective 1: Cardiff is a Great Place to Grow Up
- Well-being Objective 2: Cardiff is a Great Place to Grow Older
- Well-being Objective 3: Supporting People out of Poverty
- Well-being Objective 4: Safe, confident and empowered communities
- Well-being Objective 5: A Capital City that Works for Wales
- Well-being Objective 6: Cardiff Grows in a Resilient Way
- Well-being Objective 7: Modernising and Integrating our Public Services

The Well-being plan also outlines the following issues for the city's communities relevant to the Shared Prosperity Fund:

Continued, but slowing population growth: Cardiff has grown significantly over the last 25 years. Although, population projections indicate a slowdown in growth over the next 25 years (2018-2043), there is still a projected increase of 24,642 residents, with those aged 65+ seeing the highest growth rate. The continued growth in the city's older population will result in greater need and consequently greater demand for health and care services. The 16-64 age category is also projected to see an increase in numbers but will account for a smaller percentage of total population. Work will be needed to ensure that the city remains an attractive place to both live and work.

Making provision for new homes and jobs: Continued growth in the city's populations means that there is a need to make provision for new homes and jobs. Ensuring that new homes are high-quality, sustainable and energy efficient, and jobs align with the green economy, is fundamental moving forward.

Managing the environmental impacts of population growth: The environmental impacts of population growth and of climate change is a major long-term challenge for the city. Cardiff will need to adapt to help mitigate the potential impacts that are wide ranging and include: greater risk and frequency of flooding and more frequent heatwaves; declines in ecosystem resilience; species decline and increased prevalence of pests and disease, impacting on food security and access to healthy food at a national and global scale.

Age profile across the city: Cardiff's older population is currently more concentrated in the north of the city; the Cardiff North locality has both the highest percentage and number of people aged 65+, at 20%. Young people, however, are more concentrated in and around the city centre, with particularly high numbers of young people living in Cathays, which can be contributed to the large student population.

An increasingly diverse population: 15.3% of Cardiff's population belong to an ethnic minority group. This is much higher than the Welsh average of 4.4%, and by far the highest of the Welsh local authorities. There is also increasing diversity in the city's young population: in Cardiff, 22.4% of those aged 0-19 identify as belonging to an ethnic minority group. A high percentage of people who identify themselves as belonging to an ethnic minority group live in inner city wards.

Increasing numbers of Welsh speakers: The Welsh language forms an important part of cultural well-being in Wales. The total number of Welsh speakers in Cardiff aged 3 and above has increased significantly in recent years, largely driven by the migration of Welsh speakers from other regions in Wales and the expansion of Welsh language education

provision. It is expected that Cardiff could move from third to first in Wales in total Welsh speakers in the coming years.

## Cardiff UHB - Cardiff and Vale Shaping Our Future Wellbeing Strategy

The Cardiff and Vale University Health Board's Shaping Our Future Wellbeing Strategy includes the overall strategic objectives for the city's population to:

- reduce health inequalities;
- deliver outcomes that matter to people; and
- all take responsibility for improving our health and wellbeing.

The strategy recognises that the population of Cardiff and the Vale of Glamorgan is growing and becoming more diverse. This change in the population presents a unique set of challenges for the University Health Board, as these groups generally have a greater need for healthcare. We also face many of the same challenges as those across the developed world, for example:

- There are inequalities in health. In Cardiff and the Vale there are differences between the most and least deprived areas, with up to 11 years difference in life expectancy and up to 22 years difference in healthy life expectancy;
- Unhealthy behaviours are common. In Cardiff and the Vale around 1 in 5 adults smoke, nearly half drink above guidelines, over half are overweight or obese, two thirds do not have a healthy diet and three quarters do not get enough physical activity; and
- More people are living with a long-term health condition. In Cardiff and the Vale nearly 1 in 10 adults are recorded as having asthma or chronic obstructive pulmonary disorder (COPD), and 1 in 25 with diabetes.

## Cardiff Third Sector Council - Current Context

Cardiff Third Sector Council (C3SC) is the County Voluntary Council (CVC) for Cardiff – the umbrella infrastructure organisation for the third sector in the city. It facilitates third sector representation on strategic partnerships, including the Cardiff Partnership Board. It acts as a conduit for policy information, supporting networks around key themes and areas of interest, with the aim of ensuring that policy and decision makers understand the needs of third sector organisations in Cardiff. C3SC has outlined a number of pressures and issues facing local communities. These include:

- An increasing expectation of increased levels of hardship - with more poverty, joblessness, and people in need of support to address wellbeing, isolation and mental health.
- The Cost-of-Living Crisis and risk of recession is set to increase the demand for third sector services, while the pressures on public spending following the emergency government expenditure will reduce capacity in the statutory sector to meet needs.
- It is expected that the already disproportionate negative impact of the adverse economic and political climate on often already disadvantaged groups and communities – older people, people with long term health conditions, some BAME communities – will become more entrenched.
- The adverse economic conditions look set to deepen the operational impacts of the pandemic – including increased competition for funding as groups look for alternative sources of funding.
- Welfare reform and the transition period following the UK's exit from the EU also indicate an increase in demand on voluntary services.

- There are emerging opportunities of relevance to the sector – such as an increased focus on volunteering and voluntary action, community cohesion, addressing inequity, place-based approaches, responding to an aging population, social prescribing, wider use of technology.
- The focus on new technology and social media has implications for the voluntary and community sector in terms of advice, volunteering, communication and campaigns.
- Smaller voluntary organisations often have less capacity to adopt new ways of working.

## **South Wales Police & Crime Plan 2022-26**

The Shared Prosperity Fund Programme will also seek to ensure alignment with the South Wales Police & Crime Plan, specifically seeking to support the delivery of its priorities outlined in its 2022-26 plan, namely:

- Priority 1: We will reduce and prevent crime and anti-social behaviour to keep people safe and confident in their homes and communities.
- Priority 2: We will involve and empower our communities, working with partners in local government, health, fire and Welsh Government, the third sector and education to deliver services that people need.
- Priority 3: We will work to protect the most vulnerable in our communities, understanding causes and taking prompt positive action as issues arise.
- Priority 4: We will work to make the local criminal justice system efficient and effective to meet the needs of victims and reduce re-offending.
- Priority 5: We will ensure that South Wales Police continues to be a high performing force in terms of the operational response to crime, threats, harm and the detection of offenders.
- Priority 6: We will spend your money wisely, playing our part to protect the environment and support our people to provide the best possible policing in your community.

## Governance

The Shared Prosperity Fund is a city-wide endeavour, and it is essential that it reflects the needs of residents, communities and businesses across Cardiff. Reflecting this and its democratic mandate, the Cardiff Council Cabinet will have the responsibility for the approval of the Shared Prosperity Fund Programme. The Programme, which will be updated annually, will outline the broad themes of activity, aligned with local strategies, with an outline allocation of resources against each of these themes.

This Programme will be reviewed by the Public Service Board, as well as the business representative groups FOR Cardiff, FSB and Cwmpas. Collectively these groups will make recommendations for potential changes to the programme, as well as ensure that there is alignment with partnership activity in the delivery of the Shared Prosperity Fund Programme.

The Cabinet will also be responsible for the approval of a biannual monitoring report, which will shape and influence any changes to the Shared Prosperity Fund Programme. This report will also be reviewed by the PSB and business representative groups.

The Shared Prosperity Fund Delivery Team, established within Cardiff Council, will be tasked with working with service areas in the Council to deliver the Shared Prosperity Fund Programme, monitor progress and provide the required reporting to the Lead Authority. In addition, the Shared Prosperity Fund Delivery Team will also undertake community engagement and communication to shape future elements of the Shared Prosperity Fund Programme.

Further support will also be provided by C3SC who will support enhanced community engagement, as well as support for the third sector to access Shared Prosperity Fund opportunities,

Body	Role
Cardiff Council Cabinet	Approval of overall Shared Prosperity Fund Programme and overall levels of funding between priority areas. Approve biannual review of monitoring report.
Public Service Board	Review of Shared Prosperity Fund Programme Ensuring partnership alignment in delivery of the Shared Prosperity Fund Programme Review biannual review of monitoring report.
FOR Cardiff FSB Cwmpas	Review of Shared Prosperity Fund Programme Ensuring partnership alignment in delivery of the Shared Prosperity Fund Programme Review biannual review of monitoring report.
SPF Delivery Team (Cardiff Council)	Undertakes project approvals subject to Shared Prosperity Fund Programme Undertakes monitoring and evaluation Provides reporting to the lead authority Undertakes community engagement and communication

C3SC

Communication and engagement – shaping future elements of the SPF as well as signposting to opportunities

Support for 3rd sector – support to access SPF (and related) opportunities

# Shared Prosperity Fund Programme

Based on the Council's Stronger, Fairer, Greener Strategy, our engagement with communities, third sector organisations and business, and the objectives of our public sector partners, and overall Shared Prosperity Fund Programme has been developed. The Programme is aligned with the Regional Investment Plan and outlines areas of activity and proposed delivery mechanisms across all three priorities.

Priority	Theme	Sub-Programmes	Description / Types of Activity	Current Proposed Value (£m)	Proposed Delivery Mechanism	Aims and Objectives
Communities and Regeneration	Neighbourhood and Community Regeneration Programme	Community Facilities Programme	Investment in community buildings to bring them back to community use, or to improve their accessibility and use by local communities. Support for community buildings (including sports facilities).	£2.5m	Grant scheme for small community buildings. Larger schemes by application.	Investing in community buildings to support increased local community activity, targeting those most in need of help and support, and with an initial focus on supporting those suffering because of the cost-of-living crisis.
		Green Spaces and Places	Greening urban and local areas and providing a team to support local maintenance of urban greening projects.	£0.5m	Cardiff Council delivery	Aims to improve green areas and investment in new green areas across the city.
		15 Minute City	Investment in active travel facilities such as cycling hubs. Subsidising public transport use for hard-to-reach communities (also includes city-centre). Includes support for infrastructure investment.	£2m	Cardiff Council delivery	Aims to increase use of active travel and access to public transport across the city, targeting communities where further investment is required.
		Neighbourhood Renewal and Enhancement Programme	Funding to complement and enhance an existing Council capital programme (NRS) which brings forward member-led local regeneration schemes to improve neighbourhood areas in the city.	£2.5m	Competitive call for proposals from communities (led by local Cllrs)	Improving local areas, targeted at areas in need of improvement, led by engagement with local communities and elected members. Aim to increase footfall and support the development of jobs and business.
	Community Capacity Building Programme	Community Safety Multi-agency problem solving	This programme of work will coordinate a multi-agency approach to tackling complex local issues, such as crime, anti-social behaviour, and exploitation. This work will also inform community safety aspects of the rest of the Shared Prosperity Fund programme.	£1m	Cardiff Council	Aims to reduce crime in city neighbourhoods through increased resources for the Community Safety Partnership.
		Community engagement and research team	A dedicated community engagement team to shape regeneration activity, with dedicated communication officers within service areas.	£0.5m	Cardiff Council	Aims to increase community engagement in major regeneration schemes.
		Child Friendly City	Continued support for the Child Friendly City programme	£0.5m	Procurement and internal Council resources (staff)	Aims to increase participation of children in civic and city activities.
		Community Capacity, Activity and Volunteering	A community grant programme to support local projects, based around delivering the proposed outcomes and outputs of the SPF, including projects to address the cost-of-living crisis. Additional internal capacity for Cardiff Council and C3SC to support community engagement.	£4m	Grant programme, commissioning and Council delivery	Aims to increase overall levels of community activity, targeted at areas of deprivation and demographic groups in need of additional support.
	Growing Our Cultural Capital	Community Events and Activities	Supporting community activities and events through expansion of internal event team capacity.	£0.2m	Procurement and internal Council resources (staff)	Aims to increase local events across the city, including within communities.
		Cardiff Music Strategy	Delivering the Music Strategy, including supporting the signature event. Support for existing venues to become more sustainable.	£1m	Council staff, procurement, commissioning and grants	Aims to support activity across the music sector in the city. Aims to support existing venues, including ensuring they are more sustainable.
Resilient and Sustainable	Energy Efficiency Programme	Programme to accelerate take-up of domestic energy efficiency measures and provide support for small businesses and community groups to access advice.	£2m	Council staff, procurement, commissioning and grant scheme	Aims to reduce energy usage and CO2 emissions in neighbourhoods.	



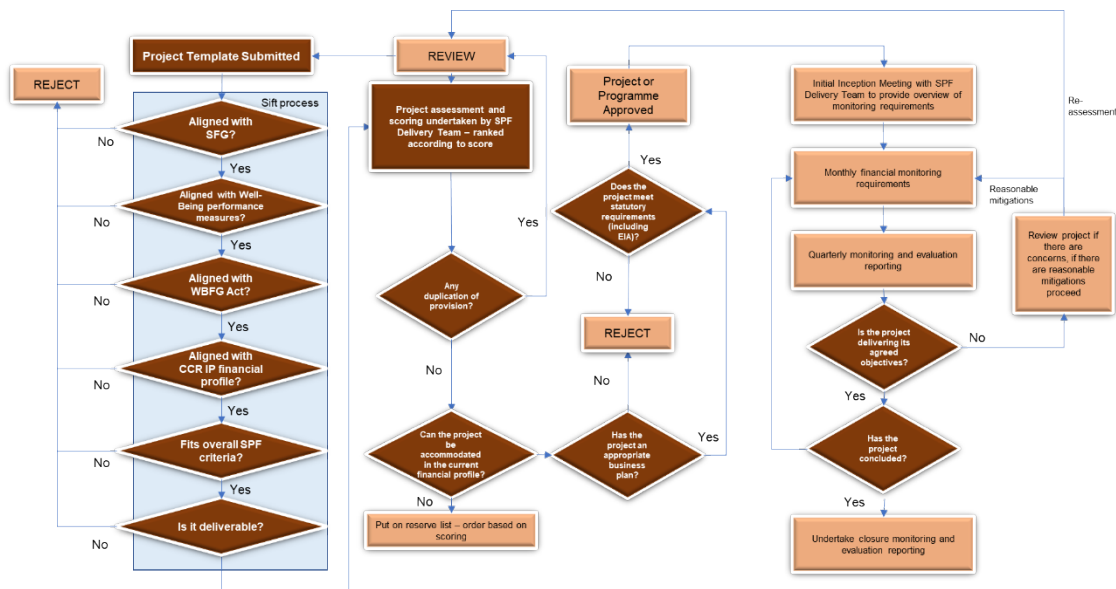
Priority	Theme	Sub-Programmes	Description / Types of Activity	Current Proposed Value (£m)	Proposed Delivery Mechanism	Aims and Objectives
	Communities Programme	Love Where You Live	New community infrastructure to encourage waste prevention, reuse, and recycling.	£0.75m	Internally appointed staff and procurement.	Aims to reduce waste in city neighbourhoods.
Business Supporting Local Business	Productive, Sustainable and Inclusive Business Programme	Cardiff Business Events Partnership	Additional support to leverage additional business events to Cardiff.	£0.2m	Internally appointed staff and procurement.	Aims to increase international business events.
		Visit Cardiff Network	Establishing a place promotion team for local areas within the city to boost local pride and local business.	£0.25m	Internally appointed staff and procurement.	Aims to increase footfall in city neighbourhoods.
		Business Grant Scheme	Direct support for businesses to invest in improving sustainability, accessibility and productivity. The grant fund will also be used for commissioning business support and feasibility work (including any regional commissioning).	£3m	Grant scheme and Council procurement.	Aims to increase employment and productivity and improve energy efficiency.
		Business Development Capital Programme	Investment in new and more sustainable buildings linking with the city's Economic Strategy, including visitor attractions.	£3m	Grant scheme and Council procurement.	Aims to increase jobs, productivity, and footfall across the city.
	City Centre Recovery Programme	City Centre Improvement Plan	Investment in city-centre Joint Enforcement Team and additional cleansing resources.	£1.5m	Direct employment and procurement.	Aims to improve cleanliness and perceptions of the city centre, as well as reducing crime to support an increase in overall footfall.
		City Centre Infrastructure and Wayfinding	Upgrading and enhancement of areas of public realm within the city centre.	£1.5m	Procurement, grant scheme.	Aims to improve cleanliness and perceptions of the city centre, as well as improving infrastructure to support an increase in overall footfall.
People and Skills and Cardiff Commitment	Into Work Advice Service	A complete employment and skills package for citizens of Cardiff; supporting people to return to work.	£9m	Direct delivery with some commissioning of work	Aims to support people into employment, with a focus on hard-to-reach groups and those in demographics with lower levels of economic activity. Also aims to improve in work outcomes.	
	Cardiff Commitment	The programme will develop business forums aligned to secondary schools and expand the Cardiff Commitment team.	£1m	Direct delivery	Aims to improve engagement between city businesses with schools to improve economic opportunity for young people in the city.	
	Money Advice	The programme will look at surrounding issues such as housing, money, debt, providing a well-rounded service to address primary needs.	£0.5m (additional funding via Multiply)	Direct delivery with some commissioning of work	Aims to provide direct support to vulnerable communities, with a focus on the cost-of-living crises.	
	Pre & Post 16 Targeted Support	Targeted pre 16 and post 16 support for young people at risk of becoming disengaged from education, employment and training.	£1m	Cardiff Council	Aims to improve economic opportunity for young people most at risk of future disengagement with the labour market.	
Multiply	Multiply	Funding to address gaps in adult numeracy to be delivered by CAVC. Additional funding for money advice where eligible.	£6m	CAVC, Cardiff Council	Aims to improve adult numeracy, with links specifically to financial advice.	
Cardiff Capital Region Projects	Place Promotion	Grows an integrated approach to the place promotion offer.	No funding allocated	Commissioned by CCR	To increase visitor numbers across the city-region.	

Priority	Theme	Sub-Programmes	Description / Types of Activity	Current Proposed Value (£m)	Proposed Delivery Mechanism	Aims and Objectives
		Cluster Development	Establish a series of assured academies across the region supported by FE and clusters in the region.	£0.6m	Commissioned by CCR	To increase employment in high value-added sectors, and to raise productivity in key clusters.

## Appendix 2: Project Approval Process

1. Projects are proposed by service areas based on criteria and bound by the SPF Programme.
2. Service areas can choose to deliver projects by:
  - Undertaking a commissioning process (including open calls)
  - Establishing a grant scheme or mechanism (applicable to all sectors)
  - Providing a grant to a not-for-profit or public sector partner
  - Undertaking a procurement process
  - Delivering projects internally through staff and/or procurement
  - Sponsoring a submission from a partner not for profit organisation
3. Projects are subject to initial eligibility and questions relating to:
  - Organisational competence
  - Engagement with key stakeholders
  - Projects scored against fit with:
    - Stronger, Fairer, Greener Strategy
    - Well-being strategy performance measures
    - Wellbeing of Future Generations Act
    - Regional Financial Strategy
    - UKSPF Criteria
    - Deliverability (including ability to deliver monitoring requirements)

### Summary of Process Post-Submission



4. Once projects are scored, they will be ranked according to score and projects will require a minimum score to progress. Projects will then be aligned with the Shared Prosperity Fund programme spend profile and approved on the basis that:

- Spend should fit within the profile
- The project is endorsed by appropriate Cabinet Member and Director
- The project has the support of relevant key stakeholders / partners

## **Assessment & Evaluation Scoring of SPF Bids**

### **Applicant Information**

<b>Criteria</b>	<b>Assessment Y / N /NA</b>	<b>If Y or N/A – Pass; If N – Fail</b>
Project proposal will be delivered by a legally constituted organisation that can receive public funds.		
Organisation has previously received funding from the Council and there are no issues with their management of funding or engagement		
Involvement of Councillors/officers has been identified		
Application received on time and signed/approved by Committee/Board Member or Service Director		
All required supporting documents received and approved		
Is an Equality Impact Assessment undertaken?		
If a Business Support bid, does it align with Recovery Strategy?		
If a People and Skills bid, does it align with Regional Skills Partnership Plan?		

### **1. Aligned with Cardiff Council’s Stronger, Fairer, Greener Strategy**

<b>Score</b>	<b>Classification</b>	<b>Supporting Definition</b>
10	Excellent response	<ul style="list-style-type: none"> <li>• Full and clear alignment to the themes of Stronger, Fairer, Greener</li> <li>• Project delivers an identified commitment</li> </ul>
7	Good response	<ul style="list-style-type: none"> <li>• Some alignment to the themes of Stronger, Fairer, Greener</li> <li>• Project aligned with an identified commitment</li> </ul>
5	Average response	<ul style="list-style-type: none"> <li>• Reference is made to the Strategy without further detail.</li> <li>• Alignment to and priority actions not clearly identified.</li> <li>• Project however does generally meet the objectives of the Strategy.</li> </ul>
2	Poor response	<ul style="list-style-type: none"> <li>• No real identification of alignment to the strategy.</li> <li>• Project does not meet the objectives of Stronger, Fairer, Greener Strategy</li> </ul>
0	Unacceptable response	<ul style="list-style-type: none"> <li>• No link to Stronger, Fairer, Greener Strategy</li> </ul>

### **2. Aligned with PSB Wellbeing Strategy Outcomes**

<b>Score</b>	<b>Classification</b>	<b>Supporting Definition</b>
10	Excellent response	Contributes to four or more of the progress measures
7	Good response	Contributes to three of the progress measures
5	Average response	Contributes to two of the progress measures
2	Poor response	Contributes to one of the progress measures
0	Unacceptable response	Contributes to none of the progress measures

### **3. Aligned with WG Wellbeing of Future Generations Act**

Score	Classification	Supporting Definition
10	Excellent response	<ul style="list-style-type: none"> <li>• Full and clear alignment to 2 or goals of the Act.</li> <li>• Project substantially meets the sustainable development principles.</li> </ul>
7	Good response	<ul style="list-style-type: none"> <li>• Meets one of the identified goals of the Act.</li> <li>• Project generally meets the sustainable development principles.</li> </ul>
5	Average response	<ul style="list-style-type: none"> <li>• Reference is made to the Act without further detail.</li> <li>• Alignment to the goals not clearly identified.</li> <li>• Project generally meets the sustainable development principles.</li> </ul>
2	Poor response	<ul style="list-style-type: none"> <li>• No real identification of alignment to the Act.</li> <li>• Project does not meet the sustainable development principles.</li> </ul>
0	Unacceptable response	<ul style="list-style-type: none"> <li>• An unanswered response, or a response that is totally unacceptable and does not fulfil the requirement in any way.</li> </ul>

#### 4. Aligned with Capital City Region IP Financial Strategy

Score	Classification	Supporting Definition
10	Excellent response	Capital and revenue spend profile is consistent with RIP.
7	Good response	Capital and revenue spend identified aligns with RIP overall but there are differences within each year.
5	Average response	Capital and revenue spend identified is vastly different from RIP.
2	Poor response	Split between capital and revenue spend is inconsistent or not clearly identified in RIP.
0	Unacceptable response	An unanswered response, or a response that is totally unacceptable and does not fulfil the requirement in any way.

#### 5. Aligned with UK Government SPF Criteria

Score	Classification	Supporting Definition
10	Excellent response	<ul style="list-style-type: none"> <li>• Clearly meets requirements of the SPF.</li> <li>• A number of relevant outputs and outcomes clearly identified.</li> <li>• A baseline would be easily evidenced.</li> </ul>
7	Good response	<ul style="list-style-type: none"> <li>• Substantially meets the requirements of the SPF.</li> <li>• A few relevant outputs and outcomes identified.</li> <li>• A baseline would be easily evidenced.</li> </ul>
5	Average response	<ul style="list-style-type: none"> <li>• Generally meets the requirements of the SPF.</li> <li>• Some outputs and outcomes identified.</li> <li>• Not clear if a baseline can be evidenced.</li> </ul>
2	Poor response	<ul style="list-style-type: none"> <li>• Does not meet the requirements of the SPF.</li> <li>• No outputs and outcomes identified.</li> <li>• No clear evidence that a baseline can be produced.</li> </ul>
0	Unacceptable response	<ul style="list-style-type: none"> <li>• An unanswered response, or a response that is totally unacceptable and does not fulfil the requirement in any way.</li> </ul>

#### 6. Funding Detail

Score	Classification	Supporting Definition
10	Excellent response	<ul style="list-style-type: none"> <li>• Clear and detailed identification of funding requirements including split of capital and revenue.</li> <li>• Continuing a successful project that has received previous funding where no other alternative route can be identified, and project would otherwise cease.</li> </ul>
7	Good response	<ul style="list-style-type: none"> <li>• Broad funding requirements identified including split of capital and revenue.</li> <li>• Continuing a project that has received previous funding where no other alternative route can be identified, and project would otherwise cease.</li> </ul>
5	Average response	<ul style="list-style-type: none"> <li>• Some identification of funding requirements including split of capital and revenue.</li> </ul>
2	Poor response	<ul style="list-style-type: none"> <li>• No clarity of funding requirements; no split of capital and revenue.</li> <li>• Calculations are not correct.</li> </ul>
0	Unacceptable response	<ul style="list-style-type: none"> <li>• An unanswered response, or a response that is totally unacceptable and does not fulfil the requirement in any way.</li> </ul>

## 7. Deliverability

Score	Classification	Supporting Definition
10	Excellent response	<ul style="list-style-type: none"> <li>• Existing service/project with staff in post.</li> <li>• Lead-in time and timetable proposed is realistic for project set-up and ongoing delivery.</li> <li>• Identification of feasibility studies or ongoing review of delivery.</li> </ul>
7	Good response	<ul style="list-style-type: none"> <li>• Existing service/project but with some recruitment needs. Timetable proposed is realistic for project set-up and ongoing delivery.</li> <li>• Identification of feasibility studies or ongoing review of delivery.</li> </ul>
5	Average response	<ul style="list-style-type: none"> <li>• Staff need to be recruited.</li> <li>• Lead-in time and timetable proposed is realistic for project set-up and ongoing delivery.</li> <li>• No identification of feasibility studies or ongoing review of delivery</li> </ul>
2	Poor response	<ul style="list-style-type: none"> <li>• Staff need to be recruited.</li> <li>• Lead-in time and timetable proposed is not realistic for project set-up and ongoing delivery.</li> <li>• No identification of feasibility studies or ongoing review of delivery</li> </ul>
0	Unacceptable response	An unanswered response, or a response that is totally unacceptable and does not fulfil the requirement in any way.

Maximum Score	Outcome
49 - 70	Approve bid
35 - 48	Approve bid but with conditions
21 – 34	Reject bid but consider if it could be held on shortlist if improvements identified
0 – 20	Reject Bid

### Appendix 3: Year One Delivery Plan (£)

Communities and Place	Y1 Total	Y2 Total	Y3 Total	Grand Total
Community Facilities Programme	£320,000	£100,000	£100,000	£520,000
Neighbourhood Regeneration	£250,000	£200,000	£200,000	£650,000
Community Safety problem solving	£200,000	£450,000	£450,000	£1,100,000
Multi-agency				
Child Friendly City	£70,000	£140,000	£140,000	£350,000
Community Capacity, Activity, and Volunteering Programme	£500,000	£730,000	£730,000	£1,960,000
Community Engagement	£50,000	£300,000	£300,000	£650,000
Community Events and Activities	£30,000	£75,000	£75,000	£180,000
Cardiff Music Strategy	£30,000	£90,000	£150,000	£270,000
Venues Grant	£30,000	£30,000	£30,000	£90,000
Love Where You Live	£100,000	£140,000	£150,000	£390,000
Communities and Place Total	£1,580,000	£2,255,000	£2,325,000	£6,160,000
Supporting Local Business				
Cardiff Business Events Partnership	£30,000	£90,000	£90,000	£210,000
Visit Cardiff Network	£30,000	£100,000	£100,000	£230,000
Business Capital & Revenue Grants	£350,000	£500,000	£1,000,000	£1,850,000
City Centre Improvement Plan	£100,000	£200,000	£200,000	£500,000
City Centre Infrastructure	£150,000	£450,000	£750,000	£1,350,000
Supporting Local Business Total	£660,000	£1,340,000	£2,140,000	£4,140,000
People and Skills				
Into Work Advice Service	£1,400,000	£3,900,000	£4,000,000	£9,300,000
Cardiff Commitment	£200,000	£300,000	£300,000	£800,000
Youth Service: Pre & Post 16 Targeted Support	£125,000	£250,000	£250,000	£625,000
People and Skills Total	£1,725,000	£4,450,000	£4,550,000	£10,725,000
Core UKSPF Total	£3,965,000	£8,045,000	£9,015,000	£21,025,000
Multiply				
CAVC Adult Learning Provision	£310,000	£1,490,000	£1,600,000	£3,400,000
Money Advice Team	£555,000	£675,000	£675,000	£1,905,000
Multiply Total	£865,000	£2,165,000	£2,275,000	£5,305,000
<b>Grand Total</b>	<b>£4,830,000</b>	<b>£10,210,000</b>	<b>£11,290,000</b>	<b>£26,330,000</b>

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**FAIRWATER CAMPUS BAND B REDEVELOPMENT****EDUCATION (COUNCILLOR SARAH MERRY)****AGENDA ITEM: 4**

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**Appendix 2 to this report is exempt from publication on the basis that it contains information of the description set out in paragraphs 14 and 21 of Part 4 of schedule 12 A of the Local Government Act 1972 and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information and is exempt from disclosure as it contains information pursuant to paragraph 16 of the Local Government Act 1972**

**Reasons for this Report**

1. To request Cabinet to authorise the total funds required as this stage from the Council's Sustainable Communities for Learning Band B Programme, subject to Ministerial approval of the Final Business Case, to enable commencement of the enabling works required to progress the Fairwater Community Campus.
2. To note the early works orders required to progress the project at risk ahead of entering into contract for the enabling works.

**Background**

3. At its meeting on 12 October 2017, the Cabinet received a report on the development of the education estate in Cardiff. The report set out the Council's proposed vision for its Band B 21st Century School (now named Sustainable Communities for Learning Programme) strategy to address the most acute sufficiency and condition issues in Cardiff. All properties across the school estate were given a rating from A to D for the following issues, with D being the worst category:

- Sufficiency of places available;
- Condition of the school buildings; and
- Suitability of the environment for teaching.

4. To address the eight form of entry sufficiency requirement that was estimated to be required, schemes affecting five English medium schools were proposed. In addition, priority schemes for Band B included an approach to the development of provision for learners with Additional Learning Needs (ALN) through the development and expansion of provision in Cardiff schools. At its meeting on 14 December 2017 Cabinet approved the prioritised schemes under Band B.
5. One of the flagship capital projects for the Council is Fairwater Community Campus that brings together Cantonian High School, Woodlands School and Riverbank School. At its meeting on 13 June 2019 the Cabinet agreed the publication of statutory notices to:
  - Increase the capacity of Cantonian High from 6 forms of entry (6FE) to eight forms of entry (8FE) with sixth form provision for up to 250 pupils in new build accommodation;
  - Expand the Specialist Resource Base (SRB) for learners with an Autism Spectrum Condition (ASC), hosted at Cantonian High School from 20 to 30 places in purpose-built accommodation in the new school buildings;
  - Transfer Woodlands Special School to Cantonian's existing site and increase the capacity from 140 places to 240 places in new build accommodation; and
  - Transfer Riverbank Special School to Cantonian's existing site and increase the capacity from 70 to 112 places in new build accommodation.
6. The statutory notices were published on 28 June 2019 with one objection received by the statutory notices closing date. The Council published the objection report on 21 August 2019.
7. As the proposals affected sixth form provision, they required the approval of the Welsh Ministers. A copy of the statutory objection and the objection report were submitted to the Welsh Ministers for determination of the proposal on 28 August 2019.
8. In a letter dated 21 July 2020, the Welsh Government advised that the Minister for Education, Kirsty Williams had decided to approval the proposals. (A copy of the letter can be seen at Appendix 1).
9. The Minister has approved the proposal on the basis that it was likely to maintain at least equivalent outcomes and offer provisions at least equivalent to that which is currently available to learners at the schools. In addition, she stated the proposal would:
  - Provide new school buildings, removing reliance on temporary classrooms, offering an improved learning environment and accommodation with 21st Century facilities;

- Contribute to the effective funding of education;
  - Increase the number of English medium secondary school places and contribute towards meeting projected demand for places; and
  - Increase the number of places in special schools for learners aged 4-19 with complex additional learning needs and autistic spectrum conditions and contribute towards meeting projected demand for places.
10. The Minister noted that the local authority proposed to implement these proposals on 1 September 2023. The Council must inform the Schools Management and Effectiveness Division, Education and Public Services Groups within the Welsh Government when the proposal has been implemented.
11. At its meeting of 17 September 2020 Cabinet noted the approval of the proposal by the Welsh Minister and delegated authority to the Director of Education & Lifelong Learning (in consultation with the Cabinet Members for Education, Employment & Skills and Finance, Modernisation & Performance, the Director of Governance and Legal Services, and the Corporate Director for Resources) to determine all aspects of the procurement process (including for the avoidance of doubt development of all procurement documentation and selection and award criteria, commencement of procurement through to award of contracts) for the new build schools.

### **Proposed New Build Campus**

12. The proposed Fairwater Community Campus will provide 21<sup>st</sup> Century educational facilities in new build schools. Pupils will have access to high-quality learning environments to support and enhance teaching and learning.
13. The new build schools would be situated on the existing site of Cantonian High School. The new build schools will have easy access to high quality new sport facilities that would be for sole school use during term time but available to the community outside of these times, including:
- A floodlit 3G rugby pitch utilising existing WRU engagement officer links to streamline and coordinate the use between the school and the community;
  - A Sports and Wellbeing centre which would be a standalone building housing a full four court sports hall with viewing gallery, an activity studio, a gym and an accessible climbing wall; and
  - Multi-use games areas.

13. The campus will be a true community investment and as well as the facilities listed above, there will be several other spaces that will at times be available to the community and wider stakeholders which could add value to the educational experiences as well as supporting the local and wider community groups. These include:
- External play area to promote occupational therapy experiences for pupils with additional learning needs. These spaces would have high use during school hours but could be extended to community groups and therapy sessions beyond school hours.
  - Community cafés within the campus.
  - A multi-agency hub which will allow a range of professionals to come together for meetings, therapy and treatment work.
  - A showcase space which will be a community space where the aspiration is for artists in residence to work alongside community groups and pupils.

### **Progress to Date**

14. The Council has developed a collaborative vision for the campus, design detail for the project and tender documentation. Tenders were received on the 20 October 2021 and the preferred bidder, ISG Construction Ltd, was selected on the 16 December 2021. ISG Construction Ltd were then awarded the Professional Services Contract (PSC) in March 2022.
15. The design has now progressed for the main and enabling works elements of the project. The enabling works has completed the Pre-Application Consultation (PAC) process and submission of the planning application was made on 12 August 2022. The Council is looking to enter into contract for the enabling works.
16. Subject to all necessary approvals it is planned for temporary accommodation to be available for Cantonian High School from September 2023.

### **Issues**

17. Since the appointment of ISG Construction Ltd the project design has progressed, but there have been a number of budgetary pressures that resulted in cost increases. The reasons for the cost increases include:
- Inflation increases; and
  - Design development.
18. Some of the scope and design changes to the enabling works include:
- Changes to building configuration;
  - Additional hard landscaping and paths;

- Revised site access and parking arrangements; and
  - Additional Sustainable Drainage Approval Body (SAB) provisions.
19. Full details can be found in the **Confidential Appendix 2**. The Council has considered a range of delivery options in presenting this paper and the changes in the proposal have been fully market tested.
  20. In addition, early orders need to be placed with the contractor to enable the project to progress without delay and additional cost or risk to the project. If the enabling works contract doesn't proceed, any costs agreed on the early orders may be abortive.
  21. The changes will apply additional pressure on the Council's Band B Programme.

### **Sufficiency of mainstream secondary school places city-wide**

22. Following a period of growth within the primary sector, there has been an increased demand for places at entry to secondary education city wide in the past seven years. City-wide projections indicate that the demand for places in the English-medium secondary sector will further increase during the period of the Band B investment programme.
23. The most recent citywide school census data from February 2022 confirms that the number of pupils in the year 5 and year 6 cohorts in English-medium primary schools marginally exceed the combined Published Admission Numbers of 3,565 places at entry to English-medium secondary schools, while the number of pupils in year groups 1 to 4 remain at high levels.
24. City-wide, peak intakes at entry to English-medium secondary schools of c3,600 is projected for 2022/2023 and 2023/2024 and planned temporary arrangements are in place to provide sufficient places and a sustainable level of surplus places in these year groups.
25. Intakes of c3,400 pupils to English-medium secondary school are projected from 2024/2025 until 2027/2028, reducing to c3,100 pupils in 2028/2029 and then falling year on year. A significant reduction in pupils entering secondary education city-wide, from existing housing, is projected from 2028/ 2029.
26. However, it is anticipated that, as a result of the yield of pupils from the new housing developments, additional school provision will be required to provide English-medium and Welsh-medium school places local to the new housing in some parts of Cardiff. In North-west Cardiff, sufficient capacity will be required to meet the additional demand for places arising from the LDP Strategic sites housing developments at Plasdwr, near Junction 33 and South of Creigiau.

27. Birth rate and population data currently available indicates a cyclic pattern in Cardiff, and nationally. Whilst school reorganisation proposals must be appropriate for projected pupil populations, an appropriate level of surplus capacity should be available to respond to population changes.

### **Cantonian High School – mainstream places**

28. The published capacity of Cantonian High School allows for an Admission Number of 181 places (6 forms of entry) at entry to Year 7 and 70 at entry to the sixth form and 181 at entry to Year 7.
29. Many families resident within the catchment area of Cantonian High School have, in recent years while secondary school places were at a higher level city-wide, stated a preference for admission to Radyr Comprehensive school at entry to Year 7, and have gained admission. In 2020, 198 pupils from the Cantonian High School catchment area were enrolled at Radyr Comprehensive School, including 40 pupils in Year 7. In 2022, this had reduced to 153, including 11 pupils in Year 7. The number of pupils able to gain admission to Radyr Comprehensive School from outside of its catchment area is falling.
30. In future years the housing development in North West Cardiff will increase the local pupil population and combined with population changes within the existing Radyr Comprehensive School catchment area, will reduce the level of surplus at Radyr Comprehensive School. Fewer children from the Cantonian High School catchment area will gain admission to the school and will therefore require a place at their catchment area school, Cantonian High School.
31. The number of pupils enrolling in year 7 city wide has increased significantly in recent years. In 2021/22 and 2022/23, the Council allocated pupils to all 181 places and expects to do so in coming years, prior to the completion of new build facilities. The areas from which Cantonian High School admits pupils will change in future years as new housing is developed.
32. The projected yield of pupils from the Plasdwr and Junction 33 developments of >6,500 dwellings in North West Cardiff is significant. These developments lie within the catchment areas of Cantonian High School and Radyr Comprehensive School and are expected to yield up to 5FE by 2030 and up to 10FE overall by their completion. Whilst new secondary school provision is planned within the Plasdwr development, this is not expected to be completed before 2030.
33. Cardiff's Welsh in Education Strategic Plans seeks up to 50% of new provision through the medium of Welsh on LDP strategic sites. Assuming a take up of English-medium places at 50 - 70% in this period, as some children would take up places in existing English-medium primary

provision, it is anticipated that Cantonian High School and Radyr Comprehensive School will have no surplus in existing accommodation during the period 2025-2030.

34. These forecasts take account of the projected demand for places from existing housing, yields per year groups from planned housing, and the recent patterns of take up. Similar to the most recent admissions data for entry in September 2022, forecasts for West Cardiff indicate that all secondary schools will be fully subscribed, including Cantonian High School, Cardiff West Community High School, Fitzalan High School, Radyr Comprehensive School, Mary Immaculate RC High School, The Bishop of Llandaff CiW High School.
35. The Council plans to meet demand by temporarily increasing intakes to a number of schools utilising existing accommodation wherever possible; however temporary accommodation will also be necessary. In order to ensure sufficient places within a reasonable distance of home addresses, intakes to Cantonian High School are planned to increase from 6FE to 7FE in September 2023, ahead of the permanent expansion to 8FE when works are complete. Intakes to Radyr Comprehensive School were permanently increased to 8FE from September 2022.
36. Whilst alternative schools may be also be able to accommodate additional pupils in coming years, additional accommodation would be required on those sites to do. Such measures would not provide an efficient and effective use of resources and would not be sustainable in the longer term, as the temporary accommodation and staffing for additional pupils would be required for a longer temporary period beyond 2026. Expanding other schools temporarily would also inhibit the growth of Cantonian High School and would limit the school's ability to provide the full breadth and depth of curriculum options that a larger school can sustain.

### **Sufficiency of Complex Learning Needs (CLN) and Autism Spectrum Condition (ASC)**

37. At its meeting on the 14 October 2021 the Cabinet considered a report which outlined the increase in the number of children in Cardiff requiring specialist placement as a result of their learning disabilities over the last 5 years. The Council proceeded to consult on a range of proposals to strategically extend and realign special school and Specialist Resource Bases for learners with Complex Needs and Autism needs in the primary and secondary age phase. These proposals were determined by the Cabinet at meetings on 15 July 2022 and 17 September 2022, and by the Governing Body of Whitchurch High School in September 2022.

### **Riverbank Special School – sufficiency of places for primary age learners with Complex Learning Needs and/ or Autism Spectrum Condition**

38. In 2020/21 the number of designated places for primary age learners in specialist provision for learners with Complex Learning Needs and/ or Autism Spectrum Condition totalled 413 places.
39. Projects previously agreed by Welsh Government and by Cabinet, to rebuild Riverbank Special School and increase the number of places from 70 to 112, and to phase the establishment of a Specialist Resource Base at Ysgol Pwll Coch, would increase the total by 52 to 465 designated places.
40. The Council determined proposals in 2022 to increase the number of primary age places for children with complex learning needs or autism by a further 150 places, and 21 primary age places within provision for learners aged 3-19. This increase of c171 places for primary age learners would take total number of places available within Cardiff to 636 designated places.
41. Taking account of all children requiring such a placement, including those placed out of county, and in mainstream awaiting specialist placement, the true demand for places was estimated to be circa 500 in 2020/2021, rising to 547 by 2025/2026. Allowing for a 10% surplus to support flexibility, capacity was required for 550 pupils in 2020/2021, and 602 pupils by 2025/2026. However, projections which take account of previous assessed needs and trends within a relatively small population may underestimate the level of growth, and the take up of places exceeded projections in 2021/ 2022.
42. The replacement of, and expansion of, Riverbank Special School remains necessary to meet the projected need for places.

### **Woodlands High School – sufficiency of places for primary age learners with Complex Learning Needs and/ or Autism Spectrum Condition**

43. In 2020/21 the number of designated places for secondary age learners in specialist provision for learners with Complex Learning Needs and/ or Autism Spectrum Condition totalled 461 places.
44. Projects previously agreed by Welsh Government and Cabinet, to rebuild Woodlands High School and increase the number of places at the school from 140 to 240 places, would increase the total from 461 places to 561 places by 2023/24.
45. The Council determined proposals to increase the number of secondary age places for children with complex learning needs or autism by a further 139 places, and c21 secondary age places within provision for learners



aged 3-19. The total number of places available within Cardiff, for secondary age learners, would be circa 721 places.

46. Taking account of all children requiring such a placement, including those placed out of county, and in mainstream awaiting specialist placement, the true demand for places was estimated to be circa 580 in 2020/2021, rising to 629 by 2025/2026. Allowing for a 10% surplus to support flexibility, capacity was required for 638 pupils in 2020/2021, and 692 pupils by 2025/2026. However, projections which take account of previous assessed needs and trends within a relatively small population may underestimate the level of growth, and the take up of places exceeded projections in 2021/2022.
47. The replacement of, and expansion of, Woodlands High School remains necessary to meet the projected need for places.

### **Suitability and condition**

48. Cardiff has a vast education estate, with over 128 school properties. Many sites comprise of multiple blocks, constructed during different decades and large areas of the estate were in urgent need of upgrade. As a result of the poor condition, the Council was required to temporarily close parts of Cantonian High School in 2016, and Willows High School, Michaelston College and Fitzalan High School in 2017, to undertake urgent upgrade work.
49. When areas of Cantonian High School were closed in 2016 due to electrical issues, this resulted in temporary accommodation being provided.
50. Refurbishment of the current buildings have been discounted as in the most recent property surveys, by Faithful and Gould, Cantonian was rated as Condition D (End of life) with a C rating for suitability with Woodlands and Riverbank rated as Condition C and a D rating for suitability. The combined maintenance total for all three schools is £7,632,065. The Council has been working closely with the schools to address issues of suitability and condition and critical works have been identified to take place in the short term to maintain suitable environments.

### **Interim Arrangements**

51. In order to ensure the provision of sufficient suitable mainstream places and Additional Learning Needs places in the interim a range of temporary measures are being implemented.
52. The Council has notified Welsh Government of the necessary changes to the building programme, and interim arrangements as follows:

- intakes to Cantonian High School to increase from 6 forms of entry (180 pupils per year group) to 7 forms of entry (210 pupils), from September 2023, ahead of the permanent expansion to 8 forms of entry when works are complete in 2025/2026;
  - the capacity of Woodlands High School to increase from 140 places to 180 places in September 2023, ahead of the permanent expansion to 240 places when works are complete and the school transfers to its new build accommodation on the Fairwater Campus site; the additional places to be provided through the use of new temporary accommodation on the existing school site;
  - the capacity of Riverbank Special School to increase from 70 places to 78 places in September 2023, ahead of the permanent expansion to 112 places when works are complete and the school transfers to its new build accommodation on the Fairwater Campus site; the additional places to be provided through the use of new temporary accommodation on the existing school site.
53. The designated number of places at the Cantonian High School Special Resource Base would increase from 20 places to 30 places in September 2023 as per the Welsh Government approved proposal.
54. The Council has also:
- brought forward an increase in the number of places at entry to Radyr Comprehensive School, from 7 forms of entry (210 pupils per year group) to 8 forms of entry (240 pupils), from September 2022;
  - agreed to support the expansion of the Special Resource Base for secondary age learners with Complex Learning Needs by 30 places, at Whitchurch High School from September 2022;
  - established a Special Resource Base of 30 places, for secondary age learners with Complex Learning Needs, at Willows High School from September 2023;
  - resumed the existing Special Resource Base of 20 places at Windsor Clive Primary School for primary age learners with Complex Learning Needs, from September 2022;
  - approved the expansion of the Special Resource Base for primary age learners with Complex Learning Needs by 10 places, at Marlborough Primary School, from September 2022;
  - approved the expansion of the Special Resource Base for primary age learners with Complex Learning Needs by 10 places, at Llanishen Fach Primary School, from September 2022.

55. Whilst it was not intended that Cantonian High School, Woodlands High School and Riverbank Special School would admit pupils to their full capacity in 2023/2024, the above arrangements will ensure the provision of sufficient, suitable classroom and ancillary accommodation for pupils who may otherwise have enrolled at Cantonian High School or would have required a specialist primary or secondary age placement for complex learning needs during the transition period between 2023/2024 and 2025/2026.
56. The Council will seek Ministerial approval for the phased transition arrangements through the Final Business Case (FBC) approval processes.

### **Scrutiny Consideration**

57. The Children and Young People's Scrutiny Committee is considering this item on 14 November 2022. Any comments received will be circulated at the Cabinet meeting.

### **Financial Implications**

58. This report provides an update on the current position in relation to the Fairwater Community Campus project. The specific financial implications relating to ongoing or future schemes have been outlined in the relevant Confidential Appendices. These financial implications provide an overview of the current financial position of the programme and any significant risks that need consideration.
59. The outline 21st Century Schools Band B Programme was approved by Cabinet in December 2017. At that time the overall value of the programme amounted to £284 million, including the Fairwater Campus scheme. The Welsh Government (WG) have since approved the Outline Business Case (OBC), which detailed an overall cost estimate of £98.565 million. A Full Business Case approval is required before Cardiff Council can claim the 70% WG match funding. This match funding is a blended rate between High School (65%) and Special School (75%) intervention rates.
60. The Councils' match funded element of the 21st Century Schools Band B Programme will be funded from external borrowing, the repayment of which will be funded via the SOP Revenue Reserve. In addition, the programme will be supplemented with £25m of funding via capital receipts. There is a significant risk regarding capital receipts in terms of both the value and timing of receipts being delivered. Any delay in the realisation, or reduction in value, of receipts will have a negative financial impact upon the programme, as additional borrowing will need to be undertaken which, in turn, will increase the pressure upon the SOP Revenue Reserve.

61. The project is affordable within the current Band B cost envelope and projects are being phased as part of the Council's cost affordability controls. There is a continued risk in the overall cost of individual schemes increasing further, either because of design development, unforeseen cost/ changes, or the general impact of inflation. There is a need for robust contract management to ensure that all cost limitation opportunities / mitigations are taken to keep the costs of this scheme to a level that is manageable and does not severely impact on the deliverability of the Programme as a whole going forward. Any further cost pressures on top of the current cost pressures will place strain upon the overall affordability of the programme and will require a review and reprioritisation of schemes to take place, should the original programme not remain affordable. Of particular importance going forward is to monitor the impact of the climate change considerations and the impact that sustainability requirements may have upon the scope of schemes.
62. In addition to the above costs, any delays to this process could incur additional ALN out of country costs, which have been estimated to be in the region of c£5.5m per annum.

### **Legal Implications**

63. Please see exempt legal implications set out in Confidential appendix 2.

### **Equality Duty**

64. The Council has to satisfy its public sector duties under the Equalities Act 2010 (including specific Welsh public sector duties) – the Public Sector Equality Duties (PSED). These duties require the Council to have due regard to the need to (1) eliminate unlawful discrimination, (2) advance equality of opportunity and (3) foster good relations on the basis of 'protected characteristics'. The 'Protected characteristics' are: • Age • Gender reassignment • Sex • Race – including ethnic or national origin, colour or nationality • Disability • Pregnancy and maternity • Marriage and civil partnership • Sexual orientation • Religion or belief – including lack of belief.

### **Well-Being of Future Generations (Wales) Act 2015**

65. The Well-Being of Future Generations (Wales) Act 2015 ('the Act') places a 'well-being duty' on public bodies aimed at achieving 7 national well-being goals for Wales - a Wales that is prosperous, resilient, healthier, more equal, has cohesive communities, a vibrant culture and thriving Welsh language, and is globally responsible.
66. In discharging its duties under the Act, the Council has set and published well-being objectives designed to maximise its contribution to achieving the national well-being goals. The well-being objectives are set out in Cardiff's Corporate Plan 2022-2025. When exercising its functions, the

Council is required to take all reasonable steps to meet its well-being objectives. This means that the decision makers should consider how the proposed decision will contribute towards meeting the well-being objectives and must be satisfied that all reasonable steps have been taken to meet those objectives.

67. The well-being duty also requires the Council to act in accordance with a 'sustainable development principle'. This principle requires the Council to act in a way which seeks to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs. Put simply, this means that Council decision makers must take account of the impact of their decisions on people living their lives in Wales in the future. In doing so, the Council must:
- Look to the long term;
  - Focus on prevention by understanding the root causes of problems;
  - Deliver an integrated approach to achieving the 7 national well-being goals;
  - Work in collaboration with others to find shared sustainable solutions; and
  - Involve people from all sections of the community in the decisions which affect them.
68. The decision maker must be satisfied that the proposed decision accords with the principles above; and due regard must be given to the Statutory Guidance issued by the Welsh Ministers, which is accessible using the link below: <http://gov.wales/topics/people-and-communities/people/future-generations-act/statutory-guidance/?lang=en>

#### School Organisation Implications

69. Although this report seeks authorisation to proceed with the enabling works required to implement this proposal, it should also be noted that this report indicates a delay to the relevant implementation date of 1 September 2023.
70. Under the School Organisation Code and School Standards and Organisation (Wales) Act 2013 proposals, such as these, which received approval by the Welsh Ministers under section 50 of the 2013 Act must only be delayed with the agreement of the Welsh Ministers. An application for a delay of this kind must be made in writing with the reasons clearly set out. This report advises that this agreement has been sought but is outstanding.
71. If this agreement is provided, the notification of the delay must be given to relevant parties including the Welsh Ministers, Estyn, the governing bodies, parents, pupils and staff of any affected school, as appropriate,

within seven days of it being made. This notification must set out the reasons for the determination to delay.

### General

72. The decision maker should be satisfied that the procurement is in accordance within the financial and budgetary policy and represents value for money for the council.
73. The decision maker should also have regard to, when making its decision, to the Council's wider obligations under the Welsh Language (Wales) Measure 2011 and the Welsh Language Standards.

### Human Resources implications

74. The increase in pupil numbers for each of the three schools will require the Governing Bodies of Cantonian High School and the Western Learning Federation to plan for the workforce requirements in readiness for their respective expansions and transitions to new build schools to ensure their staffing structures are appropriate. The Governing Bodies will be encouraged to undertake this work in line with the SOP HR Framework.
75. HR People Services will provide advice, support and guidance to the Governing Bodies for the workforce planning and consequential recruitment processes. Where the Governing Bodies have adopted the Council's School Redeployment and Redundancy Policy, any new vacancies arising as a consequence of an increase in numbers on the role will provide opportunities for school-based staff on the school redeployment register.
76. The relocation of Riverbank and Woodlands special schools will require high levels of staff and trade union consultation; clear communication plans regarding the arrangements for the transition from one school site to another; in addition to staff involvement in the development of building specifications or designs.
77. There may also be HR implications arising from the potential for the three schools to be co-located on one school site, for example, governance arrangements for shared service contracts such as cleaning, estates management and community use arrangements. The full implications of this will need to be assessed as the project progresses, and the Governing Bodies will need to ensure full consultation with staff and trade union colleagues.

### Property Implications

78. The Strategic Estates Department (SED) have been engaged with Education colleagues in the due diligence around the existing Cantonian site. In particular, concerns were raised around the unauthorised nature of

access onto the school grounds out of school hours and the need to secure the site from a health and safety perspective for the enabling works, construction and future school boundary treatment.

79. SED will support Education on any other land related matters that may arise and any Licences that may need to be granted for any temporary uses.
80. The Woodlands and Riverbank sites are yet to be declared surplus and SED will continue to support Education on any future requirements for these two land assets, following relocation of the schools to the Fairwater Campus.

### **Highways and Transport Implications**

81. Travel to school creates considerable pressure on Cardiff's transport network. 30% of all car-based trips during the morning peak are journeys to school. There are around 40,000 car trips to school each day in Cardiff.
82. Yet, journeys to school are often very short: 75% of journeys to education are within 3km of people's homes. More of these journeys could be made by active modes if all schools are well connected to their catchment areas by safe and convenient active travel routes.
83. The Transport White Paper includes the commitment to "Develop Active Travel Plans and accessible walking and cycling routes for all schools by working with children, teachers, parents and governors to promote walking, scooting and cycling to and from schools".
84. The new school developments being brought forward as part of the Council's 21st Century Schools programme provide the opportunity to deliver on this commitment by ensuring that active travel infrastructure is properly planned and provided as an essential and integral element of the scheme design.
85. The transport team has had early involvement in the project to ensure that appropriate facilities to support sustainable travel are considered at the outset and incorporated into the site master plan. Transport team input has continued as the temporary school proposals have emerged and developed.
86. A Transport Assessment (TA) was undertaken to assess the traffic impacts and identify off-site infrastructure required to accommodate the development and facilitate sustainable access to the development in a way which accords with national planning policies in Planning Policy Wales (Edition 11, 2021) and the Council's Local Development Plan.

87. A revised Transport Assessment was completed for the temporary school which is also subject to the Parking Standards (contained within the Council's 2018 "Managing Transport Impacts Supplementary Planning Guidance"). This sets out the required provision for minimum levels of cycle storage equivalent to one cycle space per 5 secondary school pupils. The maximum car parking allocations represent a reduction in parking provision. Both allocations are based on the 7FE proposed capacity of the temporary school. This will accommodate and encourage increased use of Active Travel options from the outset of the opening of the temporary school and emphasise the importance of providing safe active travel facilities in the vicinity of the school from September 2023.
88. The TA has identified the on-site and off-site infrastructure to maximise access by sustainable modes, including provision to prioritise active journeys to school, cycle facilities, crossings, speed reduction measures as well as necessary works associated with required vehicular access onto the site including Learner Transport. Parking on street near the school will be discouraged through the introduction of appropriate parking restrictions.
89. Consequently, the Council will be proposing school safety measures and other highway improvements in the vicinity of the school site, to be in place by the time of the opening of the proposed temporary school in September 2023. The design of identified measures is being progressed to suit the proposals for both the temporary school and the permanent Fairwater Campus development.
90. These proposals have already been subject to informal engagement during the July 2022 public exhibition events for the temporary school development proposal, where Transport officers were in attendance to respond to queries and comments related to travel and transport. Views have been noted, considered, and incorporated into emerging highway improvement proposals as appropriate.
91. Transport proposals for the highway improvement works will be part of a formal consultation process in the coming weeks and months.
92. The Council's Active Travel Schools and Road Safety Teams will play an important role in inculcating and supporting sustainable and active travel to the new school building from the day it opens.
93. Linked to this will be the National Standards Cycle Training delivered by the Council's Road Safety Team which will help ensure pupils entering the new school are equipped with the cycling skills they need.

## **Reason for Recommendations**



94. This proposal provides good value for money as it addresses the long-term sufficiency, condition and suitability needs and presents the lowest risk to the capital programme. The project would deliver a flagship 21<sup>st</sup> Century education campus that will transform the education opportunities in the local area.

## RECOMMENDATIONS

Cabinet is recommended to:

- (i) Authorise the total funds required as this stage from the Council's Sustainable Communities for Learning Band B Programme, subject to Ministerial approval of the Final Business Case, to enable commencement of the enabling works required to progress the Fairwater Community Campus.
- (ii) Note the commitment required for the early works orders to progress the project at risk ahead of entering into contract.

<b>SENIOR RESPONSIBLE OFFICER</b>	<b>Melanie Godfrey, Director for Education and Lifelong Learning</b>
	11 November 2022

*The following appendices are attached:*

- Appendix 1 – WG approval letter 2020
- Appendix 2 – Confidential Fairwater Campus Update
- Appendix 3 – Equalities Impact Analysis

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Nick Batchelar  
Director of Education & Lifelong Learning  
Cardiff County Council  
County Hall  
Atlantic Wharf  
Cardiff  
CF10 4UW

Ein cyf/Our ref: MA-P-KW-3408/19

Dear Mr Batchelar

**SCHOOL STANDARDS AND ORGANISATION (WALES) ACT 2013 - PROPOSALS TO INCREASE THE CAPACITY OF CANTONIAN HIGH SCHOOL, TRANSFER RIVERBANK SPECIAL SCHOOL AND WOODLAND HIGH SCHOOL TO THE CANTONIAN SITE AND INCREASE THEIR CAPACITIES**

1. Kirsty Williams, Minister for Education, one of the Welsh Ministers, has considered Cardiff County Council's proposals to increase the capacity of Cantonian High School, transfer Woodland High School and Riverbank Special School to the Cantonian site and increase their capacities with effect from 1 September 2023.
2. Proposals to make a regulated alteration published under section 48 of the School Standards and Organisation (Wales) Act 2013 ('the 2013 Act'), the effect of which would increase or decrease sixth form provision, require the approval of Welsh Ministers under section 50 of the 2013 Act. The Minister notes that both the Cantonian and Woodland proposals are to make a regulated alteration which would have the effect of increasing sixth form provision.
3. Under section 52 of the 2013 Act proposers must send to the Welsh Ministers any proposals they consider to be related to those which require approval under section 50 of the Act. The Minister notes that the local authority considers the Riverbank proposal is related to the Cantonian proposal because if the Cantonian proposal was not approved the local authority would need to consider alternative options to meet current and future demand for places. She also notes that all three proposals form part of a single 21<sup>st</sup> Century Schools funding bid and were the subject of a joint consultation. The Minister therefore agrees that the Riverbank proposal is related to the Cantonian proposal and requires her approval under section 50 of the 2013 Act.

Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

4. Where a proposal requires their consideration the Welsh Ministers may reject the proposal, approve the proposal, or after obtaining the consent of the proposer and consulting with the school governing body approve the proposal with modification.
5. I am directed by the Minister to say that she has considered the consultation document, the consultation report, the objection, objection report and additional information provided by the local authority for the purposes of consideration of the relevant factors set out in the Code. In exercise of her powers under section 50 of the 2013 Act the Minister has decided to approve the proposals.
6. The Welsh Ministers exercise their school reorganisation functions in accordance with the 2013 Act and the School Organisation Code ('the Code'). As the consultation on this proposal was published on 4 February 2019 it must be published and determined in accordance with the second edition of the Code.
7. The relevant factors of the Code relating to these proposals are sections 1.3, 1.4, 1.5, 1.6, 1.10 and 1.14. These are set out below and are followed by an analysis of the extent that the Minister considers these factors have been complied with in relation to this proposal. Where appropriate, the extent to which proposals have/have not satisfied the factors is judged with reference to the objections raised and the local authority's response thereto.
8. The Minister notes that there was one objection to the proposal.

## **QUALITY AND STANDARDS IN EDUCATION**

### **Outcomes (Standards and Wellbeing)**

9. The Minister is satisfied, having taken into account the most recent Estyn reports and Estyn's comments on the proposal, that the proposal is likely to maintain at least the current standards of education.
10. The Minister notes that the local authority has committed to ensure that any building work carried out on the Cantonian High School site will be managed effectively in consultation with the school to ensure the full curriculum continues to be delivered and that education and safety standards are maintained. Pupils enrolled at Riverbank Special School and Woodlands High School will remain on their current sites until the new build school facilities are ready. She has noted that prior to the implementation date the local authority has committed to ensure that year 12 students, who are the most affected by the change, will be undertaking programmes of study that will be continued in the new sixth forms.

### **Provision (learning experiences, teaching, care, support and guidance, and the learning environment)**

11. The Minister agrees that the improved and modern 21<sup>st</sup> Century school buildings and facilities will improve the learning environment of all three schools, benefiting all pupils. She notes that Cantonian and Woodlands Schools currently rely heavily on temporary classrooms. She notes that Estyn's evaluation of performance of schools before and after moving into new buildings or significantly refurbished premises in 2007 concluded that improvements in the quality of buildings have a very beneficial effect on the quality of teaching and morale of staff which has a positive effect on pupil performance.

### **Leadership and Management (leadership, improving quality, partnership working and resource management)**

12. The Minister expects the increase in capacity at the three schools to have a moderate impact on leadership and management. However, she is satisfied that standards of leadership and management are likely to be at least equivalent to those currently. In terms of resource management, she notes that Cantonian High School has carried a budget deficit for the past five years which is steadily reducing. She considers that the increased school budget which comes with the increase in pupils will put the school on a firmer financial footing.

#### **Section 1.4 Need for places and the impact on accessibility of schools**

13. The Minister is satisfied that the authority has evidenced a current and future need for English medium secondary places, autistic spectrum provision and special school places in the area. She is satisfied that the proposals will improve access for disabled pupils as the new buildings will be fully accessible and compliant with the Equality Act 2010.

#### **Section 1.5 Resourcing of education and other financial implications**

14. The Minister notes that the proposal will have a neutral impact on the distribution of funding between mainstream schools within the local authority area.
15. With regards surplus places the local authority estimates that the number of pupils aged 11-16 admitted to Cantonian High School will increase to 821 in 2023. As the current capacity of the school is 900 places for pupils aged 11-16 that will give 79 surplus places (8.7%). Increasing the capacity to 1000 places for pupils aged 11-16 would give 179 surplus places (17.9%).
16. The Minister agrees that the location of Cantonian High School makes it well placed to meet excess demand for places. As well as providing sufficient places for children living in the catchment area of the school it would also serve neighbouring catchment areas. It would in future allow for the local authority as admission authority for neighbouring community schools to adjust catchment areas accordingly to better serve central Cardiff.
17. The Minister is satisfied that the local authority has demonstrated an increased demand for places in Cantonian High School in the future as a consequence of a larger catchment area and new housing developments. She therefore consider that the proposal is likely to reduce the number of surplus places at Cantonian High School in the longer term.
18. The Minister is aware that the proposal forms part of the local authority's 21<sup>st</sup> Century School's investment programme and will contribute to the delivery of sustainable schools for the 21<sup>st</sup> Century and to the better strategic management of the school estate through the removal of maintenance backlogs and school buildings which are inefficient or in poor condition.
19. The Minister understands that there may be some additional transport costs should the local authority amend Cantonian High School's existing catchment area. She also notes that some pupils attending Riverbank and Woodlands special schools may have to travel further to the new site. However, others may not have so far to travel as children from all over Cardiff attend these schools. She notes that free transport will be provided for those who meet the home to school transport criteria.
20. The Minister notes that the local authority estimate the overall cost of the project to be between £78m to £96m, which will be provided by Cardiff Council and the 21<sup>st</sup> Century School's investment programme. She is satisfied that the necessary capital funding is

available. The Minister approved the Strategic Outline Case (SOC) for this project and an agreement in principle letter to move to the next stage of the business case process was issued in January 2019. The approval was on the condition that Welsh Government and Cardiff local authority continue to work together closely to ensure the total cost is brought down as the project develops.

21. The percentage of 21<sup>st</sup> Century Schools programme funding rate has increased from 50/50 to 65/35 for mainstream schools and 75/25 for special schools. The local authority has identified capital resources in the Council's approved schools organisational plan financial model and has also been resourced within the authority's capital programme from a combination of general capital grant, capital receipts and prudential borrowing. The Minister is satisfied that the necessary recurrent funding is available.
22. The Minister notes that the removal of temporary classrooms will result in savings in rental costs and that the new build schools will significantly reduce maintenance costs.
23. The Minister notes that Cantonian High School has had a deficit budget for the last five years which is reducing, but still significant. Increasing the capacity of the school and the number of pupils should help reduce the deficit.

#### **Section 1.6 Other general factors**

24. The Minister considers that the proposal is likely to have a positive impact on educational attainment among children from economically deprived backgrounds. She notes that approximately 37.6% of pupils attending Cantonian High School are eligible for free school meals which is well above the national average and that around 53% live in the 20% most deprived areas in Wales.
25. Estyn's 2007 evaluation of performance of schools before and after moving into new buildings or significantly refurbished premises found that in nearly all schools with new or refurbished buildings surveyed, pupil attainment and achievement had improved. In some areas the improvement in attainment was significant, especially in a few schools in communities with high levels of social and economic deprivation. The schools that are subject to the proposal are in a poor condition. The proposal will deliver 21<sup>st</sup> Century learning environments and ensure that there are appropriate, high quality school places for young people in this area.
26. The Minister notes that an initial equality impact assessment undertaken by the local authority concluded that the proposal would not negatively affect any particular group in society. She is satisfied that increasing the capacity of Cantonian High School, the special resource base for pupils with autistic spectrum condition, Riverbank Special School and Woodlands High School will have a positive impact on equality issues. Increasing the number of places at the special resource base and the two special schools will improve access to special education in Cardiff.
27. The Minister notes that as none of the schools are subject to any trust or charitable interests which might be affected by the proposals or the disposal of vacant sites after the implementation of the proposal.

#### **Section 1.10 Specific factors to be taken into account for proposals to reorganise secondary schools or to add or remove sixth forms**

28. The Minister considers that the increased capacity and 21<sup>st</sup> Century Schools learning environment and designated sixth form accommodation and facilities at Cantonian High School is likely to lead to increased participation in learning by pupils beyond

compulsory school age. She is satisfied that the school will continue to provide an appropriate range of relevant courses and qualifications and high quality, employer informed, vocational learning routes targeted at pupils of all abilities, whilst maintaining GCSE, AS/A level and other established courses, as required under the Learning and Skills (Wales) Measure 2009 and contribute to the 14-19 agenda.

29. She considers that the proposal will have a positive effect on 11-16 provision in both Cantonian and Woodland High Schools as both schools currently rely heavily on temporary and demountable classrooms to deliver the curriculum. The new 21<sup>st</sup> Century school buildings and facilities will improve learners' experience. In Woodlands the new build will also deliver accommodation to allow improved multi-disciplinary meetings and space to deliver professional development opportunities to increase ALN expertise across the city's teaching staff.
30. The Minister considers that the proposals will have a neutral impact on the viability of institutions already providing good-quality post-16 provision, including school sixth forms, Further Education Institutions and private training organisations. The local authority has identified an increasing demand for such provision particularly in Central Cardiff, some of which will be met by the increase in provision at Cantonian High School.
31. The Minister considers that the proposal is likely to have a neutral impact on the sustainability or enhancement of Welsh-medium provision in the 14-19 network and wider area. She notes that the local authority is taking separate steps to expand ALN provision in the Welsh medium sector as part of their WESP, the Educational Tribunal (ALNET) Act Regional Implementation plan and Cardiff ALN Strategy.
32. The Minister considers that the improved learning environment, designated sixth form accommodation and 21<sup>st</sup> Century School facilities along with the removal of temporary accommodation will provide additional learner benefits compared with the status quo and other tenable options for post-16 organisation. The increase in sixth form provision to over 200 pupils should provide a level of funding that would support a range of courses enabling pupils to have access to a broad curriculum and provide increased opportunities for pupils.
33. She notes that the proposal will have a neutral impact on discretionary transport provision as the local authority does not provide free transport to learners above compulsory school age. However, students in Cardiff aged 16-21 can apply for "My Travel Pass" which entitles the holder to 30% off bus fares.

#### **Section 1.14 Additional factors to be taken into account in preparing, publishing approving or determining proposals for the reorganisation of SEN provision**

34. The Minister considers that the new 21<sup>st</sup> Century School buildings for Woodlands and Riverbank Special Schools and expanded SRB for pupils with Autistic Spectrum condition at Cantonian High School will improve standards of accommodation for pupils with SEN including building accessibility.
35. She notes that the proposals will increase specialist provision in the immediate and wider local authority area reducing reliance on out of area placements. She notes that at present 118 pupils attend special schools and units and independent special schools outside Cardiff at a cost of £2.8 million per year. The proposal will allow the local authority to use this money more effectively and ensure more children with additional needs are educated in their home authority area.

36. The Minister considers that the proposal will have a positive effect on health, safety and welfare the new build schools will remove the reliance on temporary classrooms, provide 21<sup>st</sup> Century facilities and improve the learners' experience. In Woodlands the new build will deliver accommodation to allow improved multi-disciplinary meetings and space to deliver professional development opportunities to increase ALN expertise across the city's teaching staff.
37. The Minister is satisfied that the local authority has evidenced a need for places for autism spectrum condition and SEN provision in the area. She notes that between 2012 and 2017, the number of ASC places offered in SRBs in Cardiff increased from 82 to 140. It is expected that demand for places in specialist schools will continue to grow over the next 5-10 years as a result of a growing population and better diagnosis of ASC. Current local authority projections indicate that the number of pupils with SEN will continue to grow. At present the demand for places for pupils with significant needs exceeds the number of places available.
38. The Minister notes that the proposals will have a neutral impact on the transportation of learners with SEN. The local authority provides free transport to pupils who reside over the statutory walking distances from their nearest suitable school (2 miles for a primary school pupil and 3 miles for a secondary school pupil in Years 7 -11) whether or not they have a statement for Special Educational Needs (SEN). For pupils with SEN, the local authority applies the same distance criteria but applies the cognitive age of the child when assessing the qualifying distance, based on advice from an Educational Psychologist.

#### **Section 1.15 factors to be taken into account in approving/determining school organisation proposals**

39. The Minister considers that the Riverbank Special School proposal is related to the proposal to increase capacity at Cantonian High School. The local authority has advised that implementation of the Riverbank proposal would be prevented or undermined if the Cantonian and Woodlands proposals were not implemented. The Minister agrees with the authority's analysis and that the proposals are related and require Welsh Ministers' approval under section 50 of the 2013 Act.
40. The Minister is satisfied that the statutory consultation was conducted and the proposals published in accordance with the Code including the timescales in which the consultation document and the consultation report were published. Under Section 4 of the Code proposers are required to publish a statutory notice with a 28 day objection period. On the day the proposals are published statutory consultees, including the Welsh Ministers must receive either a hard copy of the proposals or a link to the relevant website. The Minister is satisfied that this was received and that the Notice contained all the required information under section 4.3 of the Code.
41. The Minister has considered the consultation document and the consultation report and is satisfied that both documents complied with the requirements of the Code.
42. The Minister notes that there was one objection. She is satisfied with the local authority's response to the objection, although she considers it would have been helpful if a description of the proposed transport improvements to access Doyle Avenue plan had been available at an earlier stage in the process.
43. The Minister has approved the proposal on the basis that it is likely to maintain at least equivalent outcomes and offer provisions at least equivalent to that which is currently



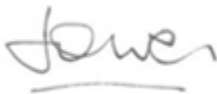
available to learners at the schools. In addition she considers that the proposal will:

- Provide new school buildings, removing reliance on temporary classrooms, offering an improved learning environment and accommodation with 21<sup>st</sup> Century facilities.
- Contribute to the effective funding of education.
- Increase the number of English medium secondary school places and contribute towards meeting projected demand for places.
- Increase the number of places in special schools for learners aged 4-19 with complex additional learning needs and autistic spectrum condition and contribute towards meeting projected demand for places.

44. The Minister notes that the local authority proposes to implement these proposals on 1 September 2023. The local authority must inform the Schools Management and Effectiveness Division, Education and Public Services Group within the Welsh Government when the proposal has been implemented. She has noted that prior to this date the local authority has committed to ensure that year 12 students, who are the most affected by the change, will be undertaking programmes of study that will be continued in the new sixth forms.

45. I am sending a copy of this letter to Paul Orders, Chief Executive of Cardiff County Council.

Yours sincerely

A handwritten signature in blue ink that reads "Huw Owen". The signature is written in a cursive style with a horizontal line underneath the name.

**Huw Owen**

**Deputy Director  
Schools Effectiveness Division**

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By virtue of paragraph(s) 14, 16, 21 of Part(s) 4 and 5 of Schedule 12A of the Local Government Act 1972.

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## Appendix 3



### Cardiff Council Statutory Screening Tool Guidance

If you are developing a strategy, policy or activity that is likely to impact people, communities or land use in any way then there are a number of statutory requirements that apply. Failure to comply with these requirements, or demonstrate due regard, can expose the Council to legal challenge or other forms of reproach.

For instance, this will apply to strategies (i.e. Housing Strategy or Disabled Play Strategy), policies (i.e. Procurement Policy) or activity (i.e. developing new play area).

Completing the Statutory Screening Tool will ensure that all Cardiff Council strategies, policies and activities comply with relevant statutory obligations and responsibilities. Where a more detailed consideration of an issue is required, the Screening Tool will identify if there is a need for a full impact assessment, as relevant.

The main statutory requirements that strategies, policies or activities must reflect include:

- **Equality Act 2010 - Equality Impact Assessment**
- **Welsh Government's Sustainable Development Bill**
- **Welsh Government's Statutory Guidance - Shared Purpose Shared Delivery**
- **United Nations Convention on the Rights of the Child**
- **United Nations Principles for Older Persons**
- **Welsh Language Measure 2011**
- **Health Impact Assessment**
- **Habitats Regulations Assessment**
- **Strategic Environmental Assessment**

This Statutory Screening Tool allows us to meet all the requirements of all these pieces of legislation as part of an integrated screening method that usually taken no longer than an hour.

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The Screening Tool can be completed as a self assessment or as part of a facilitated session, should further support be needed. For further information or if you require a facilitated session please contact the Policy, Partnerships and Citizen Focus Team on 2078 8563 e-mail: [siadavies@cardiff.gov.uk](mailto:siadavies@cardiff.gov.uk). Please note:

- **The completed Screening Tool must be submitted as an appendix with the Cabinet report.**
- **The completed screening tool will be published on the intranet.**

## Statutory Screening Tool

<b>Name of Strategy / Policy / Activity:</b>	<b>Date of Screening:</b>
SCHOOL ORGANISATION PLANNING: BAND B: REDEVELOPMENT OF CANTONIAN, RIVERBANK AND WOODLANDS SCHOOLS	October 2022
<b>Service Area/Section:</b> Education, School Organisation Planning	<b>Lead Officer:</b> Richard Portas
<b>Attendees:</b> Self-assessment	

<b>What are the objectives of the Policy/Strategy/Project/Procedure/ Service/Function</b>	<b>Please provide background information on the Policy/Strategy/Project/Procedure/Service/Function and any research done [e.g. service users data against demographic statistics, similar EIAs done etc.]</b>
<p>Proposal:</p> <p>Replace the Cantonian High School buildings with new build accommodation on the same site expanding the school from six forms of entry (6FE) to eight forms of entry (8FE) with sixth form provision for up to 250 pupils; and expanding the current Specialist Resource Base (SRB) for learners with an Autism Spectrum Condition (ASC), hosted at Cantonian High School from 20 to 30 places in purpose built accommodation in the new school buildings</p> <ul style="list-style-type: none"> <li>Maximise the opportunities afforded by one of the largest educational sites in Cardiff to locate other new school provision on the same site, in addition to Cantonian High School but organised as separate entities, to:</li> <li>Transfer Woodlands Special School, part of the Western Learning Federation, to the Fairwater Road site and increase the capacity from 140 places to 240 places in new build accommodation;</li> <li>Transfer Riverbank Special School, part of the Western Learning Federation, to Fairwater Road site and increase the capacity from 70 to 112 places in new build accommodation.</li> </ul>	<p>At its meeting on 13 June 2019 the Cabinet agreed the publication of statutory notices to:</p> <ul style="list-style-type: none"> <li>Increase the capacity of Cantonian High from 6 forms of entry (6FE) to eight forms of entry (8FE) with sixth form provision for up to 250 pupils in new build accommodation;</li> <li>Expand the Specialist Resource Base (SRB) for learners with an Autism Spectrum Condition (ASC), hosted at Cantonian High School from 20 to 30 places in purpose built accommodation in the new school buildings;</li> <li>Transfer Woodlands Special School to the Fairwater Road site and increase the capacity from 140 places to 240 places in new build accommodation;</li> <li>Transfer Riverbank Special School to the Fairwater Road site and increase the capacity from 70 to 112 places in new build accommodation.</li> </ul> <p>As part of the prioritisation of schools within the Band B programme, all properties across the school estate were given a rating from A to D for the following issues, with D being the worst category:</p> <ul style="list-style-type: none"> <li>Sufficiency of places available;</li> <li>Condition of the school buildings;</li> <li>Suitability of the environment for teaching.</li> </ul>

Cantonian High School is rated “D” category, which means the buildings are life expired. The Welsh Government is committed to removing all “D” condition schools from Wales so Cantonian High School should be automatically prioritised for investment under Band B.

Woodlands Special School and Riverbank Special School are both rated ‘D’ for suitability, with ‘unsuitable’ environments which seriously inhibit the school’s capacity to deliver the curriculum.

Replacing and significantly expanding these schools is therefore essential if the Council is to fulfil statutory responsibility to provide appropriate education for children with additional learning needs.

The statutory notices were published on 28 June for 6 weeks with one objection received by the statutory notices closing date. The Council published the objection report on 21 August 2019. As the proposals affect sixth form provision they required the approval of Welsh Ministers. A copy of the statutory objection and the objection report were submitted to the Welsh Ministers for determination of the proposal on 28 August 2019.

In a letter dated 21 July 2020, the Welsh Government advised that the Minister for Education had decided to approve the proposal. (A copy of the letter can be seen at appendix 1).

The Minister has approved the proposal on the basis that it is likely to maintain at least equivalent outcomes and offer provisions at least equivalent to that which is currently available to learners at the schools. In addition, she considers that the proposal will:

Provide new school buildings, removing reliance on temporary classrooms, offering an improved learning environment and accommodation with 21st Century facilities;

- Contribute to the effective funding of education;
- Increase the number of English medium secondary school places and contribute towards meeting projected demand for places;
- Increase the number of places in special schools for learners aged 4-19 with complex additional learning needs and autistic spectrum condition and contribute towards meeting projected demand for places.

## Part 1: Impact on outcomes and due regard to Sustainable Development

Please use the following scale when considering what contribution the activity makes:		
<b>+</b>	Positive	Positive contribution to the outcome
<b>-</b>	Negative	Negative contribution to the outcome
<b>ntrl</b>	Neutral	Neutral contribution to the outcome
<b>Uncertain</b>	Not Sure	Uncertain if any contribution is made to the outcome

	Has the Strategy/Policy/Activity considered how it will impact one or more of Cardiff's 7 Citizen focused Outcomes?	Please Tick				Evidence or suggestion for improvement/mitigation
		+	-	Ntrl	Un-Crtn	
Page 194	<b>1.1 People in Cardiff are healthy;</b> <i>Consider the potential impact on</i> <ul style="list-style-type: none"> <li><i>the promotion of good health, prevention of damaging behaviour, promote healthy eating/active lifestyles etc,</i></li> <li><i>vulnerable citizens and areas of multiple deprivation</i></li> <li><i>Addressing instances of inequality in health</i></li> </ul>	x				- See 1.2 below – encouraging walking, cycling and use of public transport
	<b>1.2 People in Cardiff have a clean, attractive and sustainable environment;</b> <i>Consider the potential impact on</i> <ul style="list-style-type: none"> <li><i>the causes and consequences of Climate Change and creating a carbon lite city</i></li> </ul>	x				- This proposal would result in pupils from the existing schools namely Cantonian, Riverbank and Woodlands being accommodated in new buildings – offering embodied and operational net zero carbon in turn reducing the Council's carbon footprint in line with the One Planet Cardiff strategy.
	<ul style="list-style-type: none"> <li><i>encouraging walking, cycling, and use of public transport and improving access to countryside and open space</i></li> </ul>	x				<ul style="list-style-type: none"> <li>- In line with the Well-being of Future Generations Act Cardiff's Band B programme is committed to providing Local Schools for Local Children, to encourage use of sustainable modes to travel to schools, such as walking and cycling. School projects take into account transport issues when they are being designed and the need to provide safer routes to encourage walking to schools.</li> <li>- In line with Cardiff's Strategic Planning Guidance (SPG), the number of parking places for staff and visitors on site will be reduced and active travel planning will be undertaken with staff and pupils to support the change to encourage more walking, cycling and use of public transport.</li> <li>- It is acknowledged that pupils from Riverbank and</li> </ul>



	Has the Strategy/Policy/Activity considered how it will impact one or more of Cardiff's 7 Citizen focused Outcomes?	Please Tick				Evidence or suggestion for improvement/mitigation
		+	-	Ntrl	Un-Crtn	
Page 195						Woodlands are likely to need transport to school as the schools are city wide provisions and pupils may have mobility/access issues. There are no plans to change the Council's transport policy for school children, it will remain as exists.
	<ul style="list-style-type: none"> <li>reducing environmental pollution (land, air, noise and water)</li> </ul>			x		<ul style="list-style-type: none"> <li>The schools would be designed to be in compliance with NZC targets and BREEAM specification, minimising running costs, construction costs and detrimental environmental impact whilst it is acknowledged there will be an element of disruption that would take place during the construction period. A construction management plan would be developed to manage this.</li> </ul>
	<ul style="list-style-type: none"> <li>reducing consumption and encouraging waste reduction, reuse, recycling and recovery</li> </ul>	x				<ul style="list-style-type: none"> <li>Proposals are progressed in line with Welsh Government Community Benefit Measurement Tool which encourages reduced consumption, waste reduction and recycling.</li> </ul>
	<ul style="list-style-type: none"> <li>encouraging biodiversity</li> </ul>	x				<ul style="list-style-type: none"> <li>Site surveys will be undertaken to establish levels of biodiversity and will explore opportunities to develop appropriate initiatives.</li> <li>As part of SuDs, there will be active encouragement of biodiversity on site.</li> </ul>
1.3	<p><b>People in Cardiff are safe and feel safe;</b> Consider the potential impact on</p> <ul style="list-style-type: none"> <li>reducing crime, fear of crime and increasing safety of individuals</li> <li>addressing anti-social behaviour</li> <li>protecting vulnerable adults and children in Cardiff from harm or abuse</li> </ul>	x				<ul style="list-style-type: none"> <li>All schools in Cardiff have policies in place to ensure safeguarding and the wellbeing of staff, children and young people.</li> <li>Space has been included in the campus to support multi-agency approaches.</li> </ul>
1.4	<p><b>Cardiff has a thriving and prosperous economy;</b> Consider the potential impact on</p> <ul style="list-style-type: none"> <li>economic competitiveness (enterprise activity, social enterprises, average earnings, improve productivity)</li> <li>Assisting those Not in Education, Employment or Training</li> <li>attracting and retaining workers (new employment and training opportunities, increase the value of employment,)</li> <li>promoting local procurement opportunities or enhancing the</li> </ul>	x				<ul style="list-style-type: none"> <li>The schools provide employment.</li> <li>The social value offer through the Welsh TOM's has committed to apprenticeships, employment, training opportunities for unemployed, NEETS and Youth Offenders and the team will work with partners to achieve targets.</li> <li>Consideration would be given to using local contractors and suppliers.</li> </ul>

	Has the Strategy/Policy/Activity considered how it will impact one or more of Cardiff's 7 Citizen focused Outcomes?	Please Tick				Evidence or suggestion for improvement/mitigation
		+	-	Ntrl	Un-Crtn	
	<i>capacity of local companies to compete</i>					
<b>1.5</b>	<p><b>People in Cardiff achieve their full potential;</b>  <i>Consider the potential impact on</i></p> <ul style="list-style-type: none"> <li><i>promoting and improving access to life-long learning in Cardiff</i></li> <li><i>raising levels of skills and qualifications</i></li> <li><i>giving children the best start</i></li> <li><i>improving the understanding of sustainability</i></li> <li><i>addressing child poverty (financial poverty, access poverty, participation poverty)</i></li> <li><i>the United Nations Convention on the Rights of a Child and Principles for Older persons</i></li> </ul>	x				<ul style="list-style-type: none"> <li>- Schools within Cardiff's Band B Programme are being designed around educational visions that provide a link between improving the environment for learning and raising standards of achievement.</li> <li>- Whilst organised as separate entities, the location of the two special schools on the same site as Cantonian High School will provide opportunities for collaboration.</li> <li>- With significant sports and wider leisure provision now established, or being developed, in many schools a key objective is to enable third parties to access community facilities at schools, on a sustainable financial basis. The development of a viable model for all schools across the city to be accessed by the communities which they serve is needed.</li> <li>- Cardiff's Child Friendly City strategy places the rights and voices of children and young people at the heart of Cardiff's policies, strategies and services; involving them in decision making and addressing the barriers which limit their life chances. As such the public consultation on the proposal included representation from children and young people (CYP).</li> <li>- CYP from the three schools and cluster primaries have provided comments to feed into the design.</li> </ul>

	Has the Strategy/Policy/Activity considered how it will impact one or more of Cardiff's 7 Citizen focused Outcomes?	Please Tick				Evidence or suggestion for improvement/mitigation
		+	-	Ntrl	Un-Crtn	
1.6	<p><b>Cardiff is a Great Place to Live, Work and Play</b> Consider the potential impact on</p> <ul style="list-style-type: none"> <li>• promoting the cultural diversity of Cardiff</li> <li>• encouraging participation and access for all to physical activity, leisure &amp; culture</li> <li>• play opportunities for Children and Young People</li> <li>• protecting and enhancing the landscape and historic heritage of Cardiff</li> <li>• promoting the City's international links</li> </ul>	x				<ul style="list-style-type: none"> <li>- A key objective of Welsh Governments Sustainable Communities for Learning Programme is that new school builds support community access.</li> <li>- Some schools have sports and wider leisure facilities established or being developed. Fairwater Campus is in the design phase currently and considering what spaces could support community access on a sustainable financial basis. The development of a viable model for all schools across the city to be accessed by the communities which they serve is needed.</li> </ul>
1.7	<p><b>Cardiff is a fair, just and inclusive society.</b> Consider the potential impact on</p> <ul style="list-style-type: none"> <li>• the elimination of discrimination, harassment or victimisation for equality groups</li> </ul>			x		<ul style="list-style-type: none"> <li>- See Equality Impact Assessment below and attached.</li> <li>- The Council's recruitment process would ensure that good practice is followed, including the application of the Council's policies on equal opportunities.</li> </ul>
	<ul style="list-style-type: none"> <li>• has the community or stakeholders been engaged in developing the strategy/policy/activity?</li> <li>• how will citizen participation be encouraged (encouraging actions that consider different forms of consultation, through more in depth engagement to full participation in service development and delivery)?</li> </ul>			x		<ul style="list-style-type: none"> <li>- The public consultation on the proposal undertaken prior to the publication of the statutory notice included engagement with a range of relevant stakeholders. This included: <ul style="list-style-type: none"> <li>▪ Publication of a consultation document for parents, local childcare providers, Headteachers and Chairs of Governors of nearby schools, all Members of local wards and other stakeholders.</li> <li>▪ Meetings with Staff, Governors, Pupil representatives at Cantonian High School and the Western Learning Federation (Riverbank Special School, Ty Gwyn Special School and Woodlands High School);</li> <li>▪ Public meetings at Cantonian High School and at Ty Gwyn Special School at which the proposal was explained and questions answered;</li> <li>▪ Drop-in sessions at Fairwater Library Hub, Central Library Hub, Ely and Caerau Community Hub and Fairwater Library Hub, where officers were available to answer questions</li> <li>▪ Presentations to whole school assemblies at Fairwater Primary School, Pentrebanne Primary School and Peter</li> </ul> </li> </ul>

Has the Strategy/Policy/Activity considered how it will impact one or more of Cardiff's 7 Citizen focused Outcomes?	Please Tick				Evidence or suggestion for improvement/mitigation
	+	-	Ntrl	Un-Crtn	
					<p>Lea Primary School;</p> <ul style="list-style-type: none"> <li>▪ Online pupil surveys for pupils at Cantonian High School, Fairwater Primary School, Pentreban Primary School and Peter Lea Primary School;</li> <li>- An online survey asking about learning styles and community use has been completed.</li> <li>- PAC engagement events for the temps has been completed and are planned for the main build.</li> <li>- End users have been involved in developing and inputting into the designs and this will continue.</li> <li>- Engagement sessions will be planned with parents.</li> </ul>
<p><b>EQUALITY IMPACT ASSESSMENT (This is attached on page 13)</b>            Will this Policy/Strategy/Project have a <b>differential impact</b> on any of the following:</p>					
<p><b>The Council delivers positive outcomes for the city and its citizens through strong partnerships</b>            Consider the potential impact on</p> <ul style="list-style-type: none"> <li>• <i>strengthening partnerships with business and voluntary sectors</i></li> <li>• <i>the collaboration agenda and the potential for shared services, cross-boundary working and efficiency savings</i></li> </ul>			x		<p>The 'Cardiff Commitment' is the Council's youth engagement and progression strategy. Cardiff Commitment sets out how the council, together with a wide range of public, private and third sector partners, will work together to ensure a positive destination for every young person in Cardiff after they finish school, either in employment or further education and training.</p> <p>To date over 120 businesses have pledged to support Cardiff Commitment and provide opportunities to schools and young people, better preparing them for the world of work, contributing to the future economic growth of the city.</p> <p>The Council's proposals for Band B and the Cardiff 2030 strategy, clearly state the link between improving the environment for learning and raising standards of achievement.</p> <p>The Council is keen to assist with the development of opportunities between schools and businesses, to help create a sustainable pool of talent for future workforce needs and spread skills across the city. An example of this is the Creative Education Partnership that has been established between Cardiff</p>

	Has the Strategy/Policy/Activity considered how it will impact one or more of Cardiff's 7 Citizen focused Outcomes?	Please Tick				Evidence or suggestion for improvement/mitigation
		+	-	Ntrl	Un-Crtn	
						<p>West Community High School and partners from the creative industries to provide opportunities for young people to leave education with skills and competences and to be work ready</p> <p>The significant school development proposed would provide opportunities for strong partnerships with businesses and employers from a range of sectors in the Cardiff economy. Opportunities for further partnerships are being explored and will be progressed in line with the priorities set out in the Cardiff Commitment.</p>

**SUMMARY OF APPRAISAL (highlight positive and negative effects of the policy / plan / project being assessed, demonstrating how it contributes to the economic, social and environmental sustainability of the city):**

Page 199

**Economic**

- Investment in new build facilities that would support the delivery of a broad and balanced curriculum.
- The new accommodation and expansion of provision would provide employment opportunities.
- Consideration would be given to using local contractors and suppliers.

**Social**

- There is potential for community use of school facilities outside of school hours.

**Environmental sustainability**

- This proposal would result in the pupils attending a new build designed to be Net Zero Carbon in operation, minimising running costs and detrimental environmental impact.

**WHAT ACTIONS HAVE BEEN IDENTIFIED OR CHANGES BEEN MADE TO THE POLICY / PLAN / PROJECT AS A RESULT OF THIS APPRAISAL:**

An equality impact assessment would be carried out to identify accessibility to the new build high school site. The equality impact assessment would take into account policies such as the Equality Act 2010, TAN 12: Design 2014 as well as building regulations such as, BS8300, Part M and relevant Building Bulletins.

# Cardiff Council

## Equality Impact Assessment



### Part 2: Strategic Environmental Assessment Screening

		Yes	No
2.1	Does the plan or programme set the framework for future development consent?	x	
2.2	Is the plan or programme likely to have significant, positive or negative, environmental effects?		x

Is a Full Strategic Environmental Assessment Screening Needed?	Yes	No
<ul style="list-style-type: none"> <li>▪ If yes has been ticked to both questions 2.1 and 2.2 then the answer is yes</li> <li>▪ If a full SEA Screening is required then please contact the Sustainable Development Unit to arrange (details below)</li> </ul>		X

Page 200

If you have any doubt on your answers to the above questions regarding SEA then please consult with the Sustainable Development Unit on 2087 3228 [sustainabledevelopment@cardiff.gov.uk](mailto:sustainabledevelopment@cardiff.gov.uk)

### Part 3: Habitat Regulation Assessment (HRA)

		Yes	No	Unsure
3.1	Will the plan, project or programme results in an activity which is known to affect a European site, such as the Severn Estuary or the Cardiff Beech Woods?		x	
3.2	Will the plan, project or programme which steers development towards an area that includes a European site, such as the Severn Estuary or the Cardiff Beech Woods or may indirectly affect a European site?		x	
3.3	Is a full HRA needed?		x	

# Cardiff Council Equality Impact Assessment



Details of the strategy will be sent to the County Ecologist on completion of the process to determine if a Habitat Regulation Assessment is needed. For further information please  
phone 2087 3215 or email biodiversity@cardiff.gov.uk

# Cardiff Council

## Equality Impact Assessment

### Statutory Requirements

It is possible that the Impact Screening Tool will identify the need to undertake specific statutory assessments:

- **Equality Impact Assessment:** *This assessment is required by the Equality Act 2010 and Welsh Government's Equality Regulations 2011.*
- **Sustainable Development Bill:** *The Bill, when it comes into effect, will require sustainable development (SD) to be a central organising principle for the organisation. This means that there is a duty to consider SD in the strategic decision making processes.*
- **Shared Purpose Shared Delivery-** *The Welsh Government requires local authorities to produce a single integrated plan to meet statutory requirements under a range of legislation. Cardiff Council must therefore demonstrate its contribution towards Cardiff's own integrated plan; "What Matters".*
- **United Nations Convention on the Rights of the Child:** *The Children Act 2004 guidance for Wales requires local authorities and their partners to have regard to the United Nations Convention on the Rights of a Child.*
- **United Nations Principles for Older Persons:** *The principles require a consideration of independence, participation, care, self-fulfillment and dignity.*
- **The Welsh Language Measure 2011:** *The measure sets out official status for the Welsh language, a Welsh language Commissioner, and the freedom to speak Welsh.*
- **Health Impact Assessment:** *(HIA) considers policies, programmes or projects for their potential effects on the health of a population*
- **Strategic Environmental Impact Assessment:** *A Strategic Environmental Assessment (SEA) is an European Directive for plans, programmes and policies with land use implications and significant environmental effects.*
- **Habitats Regulations Assessment:** *The Conservation (Natural Habitats, &c.) (Amendment) Regulations 2007 provides a requirement to undertake Habitats Regulations Assessment (HRA) of land use plans.*



# Cardiff Council

## Equality Impact Assessment

<b>Who is responsible for developing and implementing the Policy/Strategy/Project/Procedure/Service/Function?</b>	
Name: Richard Portas	Job Title: Programme Director School Organisation Planning
Service Team: School Organisation Planning	Service Area: Education
Assessment Date: October 2022	
<b>Policy/Strategy/Project/Procedure/Service/Function Title:</b> Fairwater Campus	
<ul style="list-style-type: none"> <li>• Increase the capacity of Cantonian High from 6 forms of entry (6FE) to eight forms of entry (8FE) with sixth form provision for up to 250 pupils in new build accommodation;</li> <li>• Expand the Specialist Resource Base (SRB) for learners with an Autism Spectrum Condition (ASC), hosted at Cantonian High School from 20 to 30 places in purpose-built accommodation in the new school buildings;</li> <li>• Transfer Woodlands Special School to the Fairwater Road site and increase the capacity from 140 places to 240 places in new build accommodation;</li> <li>• Transfer Riverbank Special School to the Fairwater Road site and increase the capacity from 70 to 112 places in new build accommodation.</li> </ul>	
<p>The Band B Programme seeks to address the most acute sufficiency, suitability and condition issues in Cardiff.</p> <p>There has been an increased demand for places at entry to secondary education city wide in the past five years. City-wide projections indicate that the demand for places in English-medium secondary schools will exceed the combined capacity of such schools in future years. The areas that are presenting as having the most acute shortage of places and require a strategic solution taking account of neighbouring catchment capacity are those concentrated in the central area of the city. These are primarily focused in the areas that serve the catchment for Fitzalan High School, Cantonian High School, Willows High School, Cathays High School and Cardiff High School.</p> <p>As the City's population has grown, so has the number of children with Additional Learning Needs. Cardiff Council is committed to the principles of inclusion and recognises that the majority of children and young people with additional needs are best supported in their local mainstream schools. The council will continue to provide support, training and resources to schools, and to promote the sharing of best inclusive practice, to ensure that learners with ALN access effective support in their local school.</p> <p>However, it is recognised that in order to thrive and fulfil their potential, children and young people with the most complex additional needs require access to the specialist environments and expertise of a special school. Whilst there are a number of specialist settings across Cardiff, the projected future needs will significantly exceed the number of specialist places currently available. The number of special school and specialist resource base placements has increased steadily every year for the last 5 years and current projections show the number of places will continue to grow over the next 5 to 10 years.</p>	

# Cardiff Council

## Equality Impact Assessment

**1. What are the objectives of the Policy/Strategy/Project/ Procedure/ Service/Function?**

To address sufficiency, building condition and suitability issues by developing the existing Cantonian High School site located in Fairwater in line with Band B priority schemes.

**2. Please provide background information on the Policy/ Strategy / Project / Procedure / Service / Function and any research done [e.g. service users data against demographic statistics, similar EIAs done etc.]**

At its meeting on 13 June 2019 the Cabinet agreed the publication of statutory notices for the proposal outlined above. The statutory notices were published on 28 June with one objection received by the statutory notices closing date.

Where objections are received to the statutory notices, an objection report must be published summarising the statutory objections and the proposer's response to those objections. The Council published the objection report on 21 August 2019.

As the proposals affect sixth form provision, they required the approval of Welsh Ministers. A copy of the statutory objection and the objection report were submitted to the Welsh Ministers for determination of the proposal on 28 August 2019.

In a letter dated 21 July 2020, the Welsh Government advised that the Minister for Education had decided to approve the proposal. (A copy of the letter can be seen at appendix 1).

The Minister has approved the proposal on the basis that it is likely to maintain at least equivalent outcomes and offer provisions at least equivalent to that which is currently available to learners at the schools.

In addition, she considers that the proposal will:

Provide new school buildings, removing reliance on temporary classrooms, offering an improved learning environment and accommodation with 21st Century facilities;

- Contribute to the effective funding of education;
- Increase the number of English medium secondary school places and contribute towards meeting projected demand for places;
- Increase the number of places in special schools for learners aged 4-19 with complex additional learning needs and autistic spectrum condition and contribute towards meeting projected demand for places.

# Cardiff Council

## Equality Impact Assessment

### 3 Assess Impact on the Protected Characteristics

#### 3.1 Age

Will this Policy/Strategy/Project/Procedure/Service/Function have a **differential impact [positive/negative/]** on younger/older people?

	Yes	No	N/A
3 to 11 years	X		
11 to 18 years	X		
18 - 65 years	X		
Over 65 years	X		

**Please give details/consequences of the differential impact, and provide supporting evidence, if any.**

#### **Educational provision (age 4 - 19)**

The impact will be positive as the proposals will support the sufficiency of places in high quality learning environments in both mainstream and special provision.

#### **Community provision (all ages)**

The new schools are being designed to support various facilities that can be accessed by the community.

**What action(s) can you take to address the differential impact?**

**If no differential impact, explain the reason(s) for this assessment:**

#### 3.2 Disability and Access

Will this Policy/Strategy/Project/Procedure/Service/Function have a **differential impact [positive/negative/]** on disabled people?

	Yes	No	N/A
Hearing Impairment	x		
Physical Impairment	x		
Visual Impairment	x		
Learning Disability	x		
Long-Standing Illness or Health Condition	x		
Mental Health			x
Substance Misuse			x
Other			x

**Please give details/consequences of the differential impact, and provide supporting evidence, if any.**

The ALN schools (Riverbank and Woodlands) provide education provision for children and young people who have complex learning needs. These pupils will occupy new buildings with new fit for purpose facilities.

A potential negative impact is change. Any project will involve a level of change, so a milestone map has been created that aims to manage the changes and minimise negative

# Cardiff Council

## Equality Impact Assessment

impacts. There needs to be well managed and careful transition arrangements, particularly for pupils with ALN so levels of stress can be reduced.  
Input from parents with CYP at Riverbank and Woodlands highlighted the need for community use provision of new facilities. This is being reviewed as the designs are developing.

**What action(s) can you take to address the differential impact?**

A further equality impact assessment would be carried out to identify the accessibility of the new school building, following detailed design phase. The equality impact assessment would take into account policies such as the Equality Act 2010, TAN 12: Design 2014 as well as building regulations such as, BS8300, Part M and relevant Building Bulletins.

**If no differential impact, explain the reason(s) for this assessment:**

### 3.3 Gender Reassignment

Will this Policy/Strategy/Project/Procedure/Service/Function have a **differential impact [positive/negative]** on transgender people?

	Yes	No	N/A
<b>Transgender People</b> (People who are proposing to undergo, are undergoing, or have undergone a process [or part of a process] to reassign their sex by changing physiological or other attributes of sex)	x		

**Please give details/consequences of the differential impact, and provide supporting evidence, if any.**

Toilets and changing rooms are being designed taking into consideration the needs of all pupils and staff.

**What action(s) can you take to address the differential impact?**

**If no differential impact, explain the reason(s) for this assessment:**

### 3.4. Marriage and Civil Partnership

Will this Policy/Strategy/Project/Procedure/Service/Function have a **differential impact [positive/negative]** on marriage and civil partnership?

	Yes	No	N/A
Marriage			X
Civil Partnership			X

**Please give details/consequences of the differential impact, and provide supporting evidence, if any.**

**What action(s) can you take to address the differential impact?**

No action needed.

**If no differential impact, explain the reason(s) for this assessment:**

N/A

# Cardiff Council

## Equality Impact Assessment

### 3.5 Pregnancy and Maternity

Will this Policy/Strategy/Project/Procedure/Service/Function have a **differential impact [positive/negative]** on pregnancy and maternity?

	Yes	No	N/A
Pregnancy		x	
Maternity		x	

**Please give details/consequences of the differential impact, and provide supporting evidence, if any.**

There are multi-functional staff wellness spaces being designed to support staff wellbeing. Corporate policy would be followed in relation to maternity and pregnancy.

**What action(s) can you take to address the differential impact?**

No action needed.

**If no differential impact, explain the reason(s) for this assessment:**

### 3.6 Race

Will this Policy/Strategy/Project/Procedure/Service/Function have a **differential impact [positive/negative]** on the following groups?

	Yes	No	N/A
White		x	
Mixed / Multiple Ethnic Groups		x	
Asian / Asian British		x	
Black / African / Caribbean / Black British		x	
Other Ethnic Groups		x	

**Please give details/consequences of the differential impact, and provide supporting evidence, if any.**

**What action(s) can you take to address the differential impact?**

**If no differential impact, explain the reason(s) for this assessment:**

The proposal would not have a differential impact upon one particular ethnic group as the provision would be available to all. All pupils, of all ethnicities, will continue to have access to specialist provision, in all settings, on an equal basis in line with catchment arrangements. Cardiff ALN schools have a city wide catchment.

### 3.7 Religion, Belief or Non-Belief

Will this Policy/Strategy/Project/Procedure/Service/Function have a **differential impact [positive/negative]** on people with different religions, beliefs or non-beliefs?

	Yes	No	N/A
Buddhist			x
Christian			x
Hindu			x
Humanist			x
Jewish			x
Muslim			x

# Cardiff Council

## Equality Impact Assessment

Sikh			X
Other			X

<b>Please give details/consequences of the differential impact, and provide supporting evidence, if any.</b>
A multi-functional room is being considered that could be made available for reflection.
<b>What action(s) can you take to address the differential impact?</b>
<b>If no differential impact, explain the reason(s) for this assessment:</b>

### 3.8 Sex

Will this Policy/Strategy/Project/Procedure/Service/Function have a **differential impact [positive/negative]** on men and/or women?

	Yes	No	N/A
Men		X	
Women		X	

<b>Please give details/consequences of the differential impact, and provide supporting evidence, if any.</b>
<b>What action(s) can you take to address the differential impact?</b>
<b>If no differential impact, explain the reason(s) for this assessment:</b>
Maintained school provision admits pupils of both sexes and this would continue to be the case.

### 3.9 Sexual Orientation

Will this Policy/Strategy/Project/Procedure/Service/Function have a **differential impact [positive/negative]** on the following groups?

	Yes	No	N/A
Bisexual		X	
Gay Men		X	
Gay Women		X	
Heterosexual		X	

<b>Please give details/consequences of the differential impact, and provide supporting evidence, if any.</b>
<b>What action(s) can you take to address the differential impact?</b>
<b>If no differential impact, explain the reason(s) for this assessment:</b>

### 3.10 Language

Will this Policy/Strategy/Project/Procedure/Service/Function have a **differential impact [positive/negative]** on Welsh Language?

	Yes	No	N/A
Welsh Language		X	
Other languages		X	

# Cardiff Council

## Equality Impact Assessment

<b>Please give details/consequences of the differential impact, and provide supporting evidence, if any.</b>
<b>What action(s) can you take to address the differential impact?</b>
<b>If no differential impact, explain the reason(s) for this assessment:</b>
<p><b>Language support</b></p> <p>The proposal will not directly impact on the level of support provided. The allocation of teachers and TAs is usually in place for the period of the academic year but is liable to change throughout the year to meet fluctuations in demand.</p> <p><b>Welsh Language</b></p> <p>It is not anticipated that there will be any negative impact on the Welsh Language, as a result of this proposal.</p> <p>The teaching of Welsh within an English medium setting is subject to the requirements of the National Curriculum. This would not change with the expansion of the school. This proposal does not seek to change the number of Welsh-medium primary or secondary school places available in the area.</p> <p>The Council works closely and constructively with partners on its Welsh Education Forum, which includes representatives of nursery, primary, secondary and further education, childcare, RhAG and the Welsh Government. The Forum actively informs the planning of Welsh-medium places, to continue to drive the Council's plan to sustainably increase the number of learners within Welsh-medium schools and those learning Welsh in English-medium schools.</p> <p>The council monitors birth rates, the yield from proposed housing and the patterns of take-up in Welsh-medium provision at primary and secondary age, with a view to bringing forward appropriate plans to meet any increased demand. Whilst forecasts, based on the number of children in the Welsh-medium primary, indicate that additional capacity will be required to meet the demand for places in Welsh-medium secondary schools, separate proposals will be brought forward at the appropriate time to ensure there are sufficient places available.</p> <p>The Council, and its partners on the Welsh Education Forum, are committed to driving the increase in number of pupils educated through the medium of Welsh, to meet the targets within Cardiff's WESP, and to meet the targets set out in the Welsh Government's Cymraeg 2050 strategy. The Council must ensure that the expansion of school provision is brought forward in a strategic and timely manner, which does not compromise existing provision. Expanding Welsh-medium secondary school provision would, inevitably, have an impact on the take-up of places in other schools, and in turn on the ability of schools to balance budgets and to attract or retain staff.</p> <p>The proposals for Fairwater Campus do not include opportunities for developing Welsh medium ALN provision. Steps to expand specialist ALN provision in the Welsh medium sector are being taken forward separately through the Welsh Education Strategic Plan (WESP), the Educational Tribunal (ALNET) Act Regional Implementation Plan and through the Cardiff ALN Strategy.</p>

# Cardiff Council

## Equality Impact Assessment

### 4. Consultation and Engagement

What arrangements have been made to consult/engage with the various Equalities Groups?

The internal equality networks will be engaged and be given the opportunity to comment on this scheme.

### 5. Summary of Actions [Listed in the Sections above]

Groups	Actions
Age	See Generic over-arching actions below
Disability	
Gender	
Reassignment	
Marriage & Civil Partnership	
Pregnancy & Maternity	
Race	
Religion/Belief	
Sex	
Sexual Orientation	
Language	
Generic Over-Arching [applicable to all the above groups]	An equality impact assessment will be kept under review. The equality impact assessment would take into account policies such as the Equality Act 2010, TAN 12: Design 2014 as well as building regulations such as, BS8300, Part M and relevant Building Bulletins.

### 6. Further Action

Any recommendations for action that you plan to take as a result of this Equality Impact Assessment (listed in Summary of Actions) should be included as part of your Service Area's Business Plan to be monitored on a regular basis.

### 7. Authorisation

The Template should be completed by the Lead Officer of the identified Policy/Strategy/Project/Function and approved by the appropriate Manager in each Service Area.

Completed By: Angela Withey	Date: October 2022
Designation:	Area Commissioning Lead
Approved By:	Richard Portas
Designation:	SOP Programme Director
Service Area:	Education

- 7.1 On completion of this Assessment, please ensure that the Form is posted on your Directorate's Page on CIS - *Council Wide/Management Systems/Equality Impact Assessments* - so that there is a record of all assessments undertaken in the Council. For further information or assistance, please contact the Citizen Focus Team on 029 2087 3059 or email [citizenfocus@cardiff.gov.uk](mailto:citizenfocus@cardiff.gov.uk)



**TREASURY MANAGEMENT MID-YEAR REPORT 2022-23**

**FINANCE, MODERNISATION & PERFORMANCE (COUNCILLOR  
CHRIS WEAVER)**

**AGENDA ITEM: 45**

*Annexes B & C to Appendix 1 to this report are not for publication as they contain exempt information of the description in Paragraphs 14 and 21 of Schedule 12A of the Local Government Act 1972.*

**Reason for this Report**

1. To inform members of the Council's Treasury Management activities since 1 April 2022 and the position as at 30 September 2022.

**Background**

2. The Council's treasury management activities are governed by legislation and a Code of Practice developed by the Chartered Institute of Public Finance and Accountancy (CIPFA) updated in 2021.

**Issues**

3. In the budget report of February 2010, Council adopted CIPFA's Treasury Management Code by formal acceptance of the Four Clauses of Treasury Management and Treasury Management Policy Statement as Council policy.
4. In accordance with these policies, this report provides members with a mid-year update of Treasury Management activities as at 30 September 2022. This includes its borrowing and investments at a point in time.
5. Council approved the Treasury Management Strategy for 2022/23 in March 2022. The Treasury Strategy is driven primarily by the Council's overall financial position and approved investment strategy. Whilst there have been significant variations in economic forecasts and variables, no policy changes or changes to limits are deemed required at this stage.
6. Council requires the scrutiny of the accounting, audit and commercial issues of its Treasury Management Strategy and Practices to be undertaken by the Council's Governance and Audit Committee. The Governance and Audit

Committee has received, this mid-year report in relation to 2022/23 treasury management activities.

7. The mid-year report and supporting Annexes are attached at Appendix 1, with an updated Treasury Management Strategy to be considered as part of the budget proposals for 2023/24, consistent with updated capital investment priorities approved for the medium term.

#### **Reasons for Recommendations**

8. Council policy requires the Treasury Management Mid-Year Report 2022-23 update to be submitted to Council.

#### **Legal Implications**

9. No direct legal implications arise from this report.

#### **HR Implications**

10. There are no HR implications that arise directly from this report.

#### **Property Implications**

11. There are no property implications that arise directly from this report.

#### **Financial Implications**

12. The Council's treasury management activities are undertaken in accordance with the policies adopted by Council and under professional codes of conduct established by CIPFA, the Welsh Government and the Corporate Director Resources as part of Treasury Management Practices. This report is part of a suite of reports that members receive on the Council's treasury management activities during the course of a year. Whilst there are no direct financial implications arising from this report, the risks involved with treasury management are continuously reviewed in conjunction with the Council's treasury management advisors and forms part of the Council's Medium term Financial Planning process.

#### **RECOMMENDATION**

Cabinet is recommended to note the Treasury Management Mid-Year Report 2022-23, prior to its submission to Full Council in November 2022 (Appendix 1).

<b>SENIOR RESPONSIBLE OFFICER</b>	<b>CHRISTOPHER LEE</b>
	Corporate Director Resources 11 November 2022

*The following Appendix is attached:-*

- Appendix 1: Treasury Management Mid-Year Report 2022-23  
Annexe A – Treasury Management Policy Extract  
Annexe B – Investments at 30 September 2022 (Confidential)

Annexe C – Investment Charts at 30 September 2022 (Confidential)  
Annexe D – Maturity Analysis of borrowing as at 30 September 2022  
Annexe E – Glossary of Treasury Management terms

The following Background Papers have been taken into account

Treasury Management Strategy 2022/23. Council Budget Proposals March 2022 –  
Annexe 4

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# Treasury Management Mid-Year Report

2022-23



## Introduction

- 1.1 Treasury management activities are the management of an organisation's borrowing, investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.
- 1.2 The Council carries out its treasury management activities in accordance with a Treasury Management Code of Practice for public services, updated by CIPFA in 2021. This requires the Council to set out the policies and objectives of its treasury management activities and adopt four Clauses of Treasury Management (replicated in **Annexe A**).
- 1.3 Treasury Management is an integral part of the Council's Strategic and Financial planning framework, with borrowing activities primarily because of historic and future capital expenditure approved by Council as part of the Council's Capital Investment programme.



- 1.4 Council received a report in March 2022 on the Council's Treasury Management and Capital Strategy for 2022/23. Governance and Audit Committee has received periodic updates on the position and performance of treasury management and the issues included in the report below. In addition, Council received in October 2022 the Annual Outturn Report for Treasury Management for 2021/22.
- 1.5 In accordance with Council policy, this report provides members with a 2022/23 mid-year update as at 30 September 2022 and covers:-
  - the economic background to treasury activities
  - investments
  - borrowing
  - debt rescheduling
  - compliance with treasury limits and prudential indicators
  - Treasury Strategy update for remainder of the year.

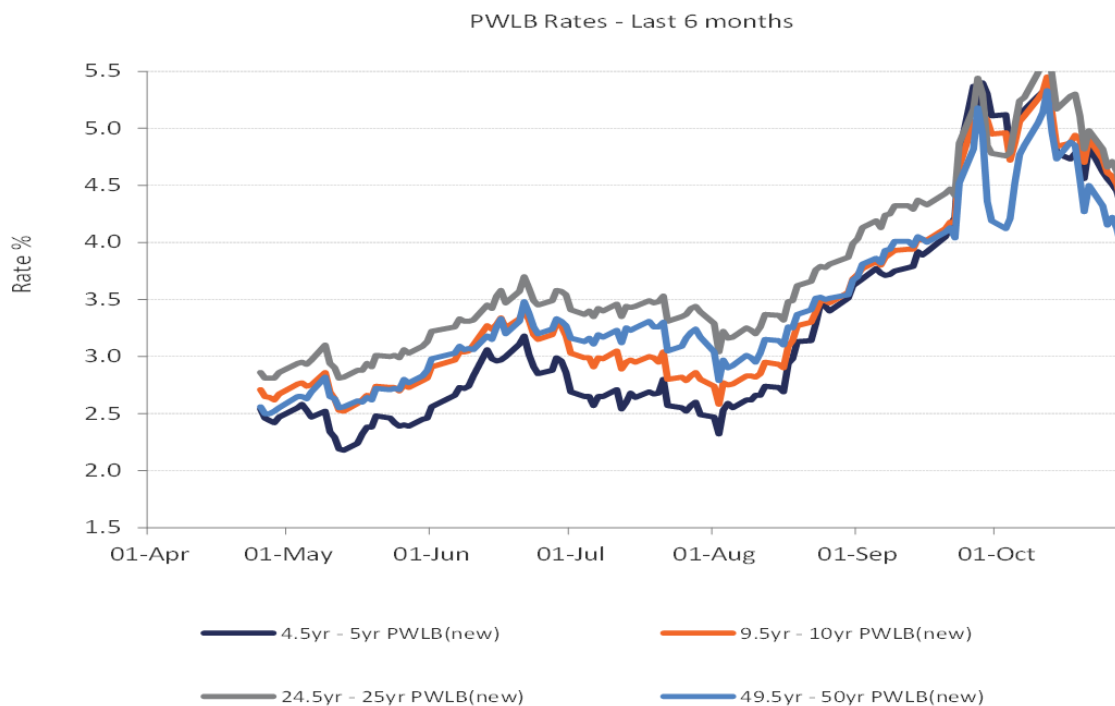
1.6 Annexe E includes a glossary which defines key terms used in this report.

## **Economic Background**

- 2.1 Whilst the UK economy has avoided recession for the time being, there are signs of economic activity losing momentum. Higher energy prices creating more persistent downward effects in economic activity. Both industrial production (-0.3% m/m) and construction output (-0.8% m/m) fell in July 2022 for a second month in a row. Manufacturing output fell in some of the most energy intensive sectors (e.g., chemicals), pointing to signs of higher energy prices weighing on production. With the drag on real activity from high inflation having grown in recent months, GDP is at risk of contracting through the autumn and winter months. CPI inflation was 10.1% year on year in September, with domestic price pressures showing little sign of abating in the near-term.
- 2.2 Labour Force Survey (LFS) employment rose by 40,000 in the three months to July (the smallest rise since February). But a renewed rise in inactivity of 154,000 over the same period meant that the unemployment rate fell from 3.8% in June to a new 48-year low of 3.6%. The number of vacancies has started to level off from recent record highs but there have been few signs of a slowing in the upward momentum on wage growth with the July three month year on year rate of average earnings growth being 5.5%.
- 2.3 The above factors together with increased prices of imports are likely to see CPI inflation peak close to 10.4% in November. With domestic price pressures showing little sign of abating, this is likely to impact on household real incomes. However, with the government having frozen utility prices until April 2023 at least, subject to the approach beyond this, energy price inflation could fall sharply after October and have a big downward influence on CPI inflation.
- 2.4 The Bank of England increased base rate for the seventh consecutive meeting in September 2022, with an increase of 50 basis points to 2.25%. Following the 'Mini Budget' and various measures announced on 23 September 2022 gilt yields increased and sterling fell based on market views that the government's fiscal loosening from its proposed significant tax cuts will add to existing domestic inflationary pressures and will potentially leave a legacy of higher interest rates and public debt. Both sterling and gilt yields have stabilised over the last few weeks due to expectations that the Bank of England will deliver a significant rise in interest rates at the policy meeting on 3rd November and the government will lay out an acceptable medium-term plan in the near term. Forecasts are that the Monetary Policy Committee will raise interest rates by 75bps at the policy meetings in November (to 3.00%) and 75 basis points in December (to 4%) followed by further 50 basis point increases in February and March (to 5.00%). These forecasts may change following the banks November meeting. With concerns over a global recession growing, there are significant risks to economic variables.
- 2.5 Throughout 2022/23, gilt yields, on which Public Works Loan Board lending rates are based, have been on an upward trend due to inflation expectations.

However, the upward trend increased sharply at the end of September as investors demanded a higher risk premium and expected faster and higher interest rate rises to offset fiscal stimulus plans. The 30-year gilt yield rose from 3.60% to 5.10% following the “Mini Budget”, which threatened financial stability by forcing pension funds to sell assets into a falling market to meet cash collateral requirements. Amongst its actions to secure financial stability, the bank of England postponed its plans to start selling some of its quantitative easing (QE) gilt holdings. Since the Bank’s announcement on 28th September, the 30-year gilt yield has fallen back from 5.10% to 3.83%. The 2-year gilt yield dropped from 4.70% to 4.30% and the 10-year yield fell back from 4.55% to 4.09%.

- 2.6 There is significant volatility in gilt yields and in turn borrowing rates as markets digest daily developments in the financial markets, release of economic data both domestically and internationally.
- 2.7 The Public Works Loan Board is one source of local authority borrowing and subject to annual review of eligibility. PWLB rates are based on gilt (UK Government bonds) yields, however HM Treasury determine a specified margin to add to gilt yields for any local authority borrowing. Most local authorities can undertake loan at the PWLB Certainty Rate, which is gilt rate plus 80 basis points (G+80 bps).



- 2.8 The chart above highlights the volatility in PWLB borrowing rates, with long term rates at the end of October 2022 being circa 4%. Having regard to various uncertain factors, the table below shows the Council’s treasury management advisors last forecasts for bank rate and Public Works Loan Board (PWLB) certainty borrowing rates, based on their current lending policy. The forecasts



are updated periodically. This shows a gradual decrease in bank rate and PWLB lending rates over the forecast horizon ending on 31st March 2025, albeit with rates higher than previous lows.

	<b>Actual 30/09/22</b>	<b>Mar-23</b>	<b>Mar-24</b>	<b>Mar-25</b>
Bank Rate	2.25	5.00	4.00	2.75
5yr PWLB rate	5.11	4.90	3.90	3.30
10yr PWLB rate	4.95	4.70	3.80	3.30
25yr PWLB rate	4.78	4.90	4.10	3.60
50yr PWLB rate	4.19	4.60	3.80	3.30

## Investment

- 3.1 The management of the Council's cash flows may involve temporary lending of surplus funds to low-risk counterparties or short-term temporary borrowing to manage cash flows, pending receipt of income. This takes place in the wider financial markets or the established inter-local authority market.
- 3.2 The Council's investment priorities remain the security and then liquidity of its Treasury investments. The Council also aims to achieve the optimum return appropriate to these priorities.
- 3.3 The Council invests with financial institutions in accordance with criteria approved in its Treasury Strategy. The categories, names, periods and size limits on this list can be extended, varied or restricted at any time by the Corporate Director Resources under delegated powers. Based primarily on Fitch credit criteria and a number of other factors which the Council takes into account, lending to these institutions is subject to time and size limits and credit worthiness continues to be carefully monitored.
- 3.4 No changes have been made or are deemed required to be made as part of this report to the list of eligible counterparties or credit worthiness policy included as part of the 2022/23 Treasury Management Strategy approved by Council. This will continue to be reviewed using data from Treasury advisors and will be updated in the 2023/24 Strategy.
- 3.5 Following the introduction of The Markets in Financial Instruments Directive (MiFID) in January 2018, the Council opts to be classified as a professional client rather than a retail client by financial institutions.
- 3.6 Since the strategy was set, investment rates offered on deposits have increased significantly from the position in previous years when investment rates were barely above zero. With gradual increases in bank rate, currently 2.25% and forecast to be increase the level of interest receivable on deposits is forecast to increase as part of the 2022/23 revenue budget monitoring position.

3.7 At the 30 September 2022, Net Temporary investments stood at £230.9 million. These temporary funds will fluctuate daily and arise for a number of reasons, including the timing differences between the receipt of grant and other income and the utilisation of these funds on salaries and other operating costs. They also include the level of reserves, provisions, and balances held on behalf of Joint Committees such as City Deal where the Council is Accountable Body (Circa £58 million). When approved to do so, any funds held for the latter as accountable body are expected to be transferred to the Corporate Joint Committee, This will improve the reporting of the Council's own treasury management activities.

Subject to the actual timing of cash inflows and outflows, the Council may need to borrow funds temporarily for working capital cash flow management. **Annexe B** shows with whom these investments were held as at 30 September 2022. All investments are deemed recoverable.

3.8 A selection of performance indicators and benchmarking charts, is included in **Annexe C** as follows:-

- **Counterparty exposure** displays actual investment against the maximum permitted directly with an organisation. This demonstrates that we are not exceeding any exposure limits. It should be noted that the Debt Management and Deposit Facility, is effectively placing investments with the Government. The exposure limit is set to match the level of investments held.
- **Remaining maturity profile of investments.** This shows the duration of investments over time.
- **Investments by institution.** This expresses the investments held with different institutions as a percentage of the total and shows diversification is sought where possible.
- **Geographic spread of investments** as determined by the country of origin of relevant organisations. All countries are rated AA and above as per our approved criteria and are licensed to take UK deposits. It should be noted that two credit ranges agencies have placed the UK rating on a negative outlook. Investments are in Sterling only.
- **Investments by Financial Sector.** Most investments continue to be with banks.

3.9 The approach of deferring external borrowing by using temporary cash balances will continue to be used as part of the borrowing strategy.

3.10 Whilst a difficult figure to forecast due to the uncertainty of the markets, cash flows and the number of variables that impact on the figure, the forecast level of overall interest receivable from treasury investments for 2022/23 is £3.4 million. At 30 September 2022 the average rate on investments held is just over 2%. The return achieved since the start of the year is 1.12% compared to the average of the benchmark rate since the 1 April 2022 for the Sterling Overnight Index Average rate (SONIA) 7day / 3month of 1.22% / 1.70%. This is expected in a rising interest rate environment, until fixed term deposits mature, to be re-invested at higher rates.

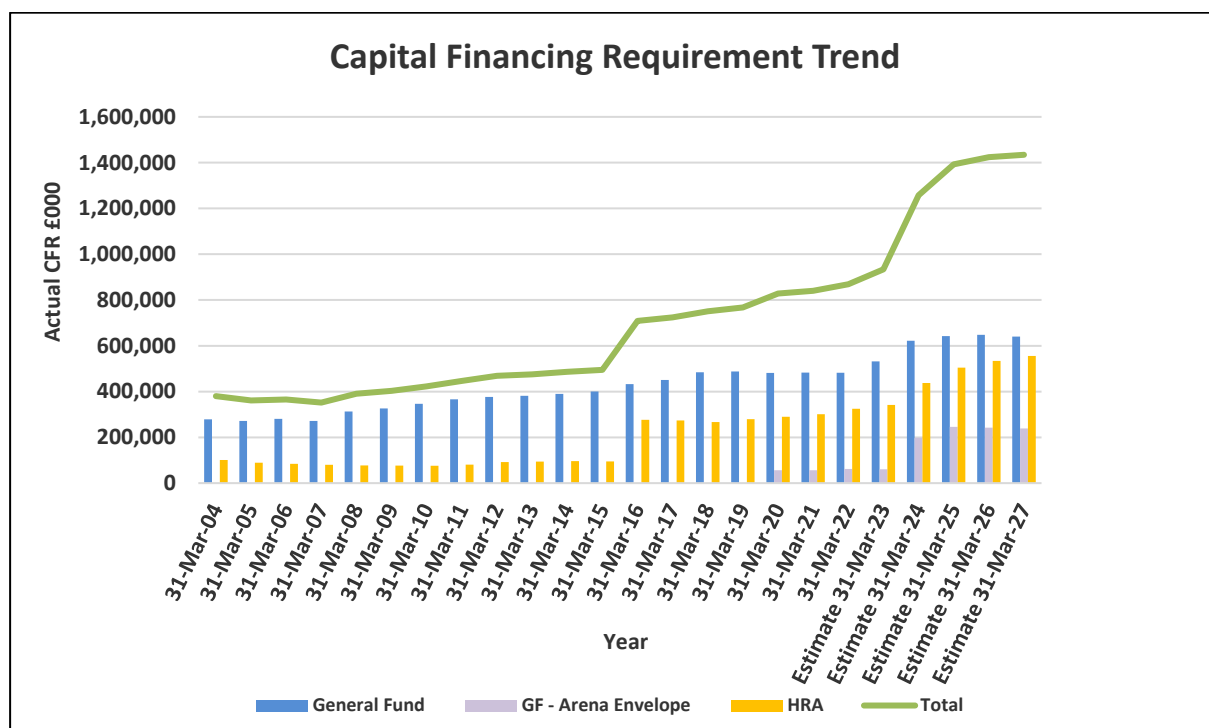
**Borrowing**

- 4.1 Long term borrowing is undertaken to finance the Council’s Capital Programme. The Council’s strategy Greener, Stronger and Fairer identifies the opportunities facing the city and sets out the response to challenges. This is not just a consideration of how challenges are responded to, but it is also about investing in future economic growth and development, prioritising investment in schools, affordable housing, tackling homelessness, and protecting the city’s most vulnerable people. All these capital projects play an important role in supporting and accelerating the Council’s work post pandemic and leading the recovery. The budget report and its capital strategy considered by Council in March 2022 set out the capital investment strategy including major long term development projects such as affordable Council housing; the Indoor Arena; Atlantic Wharf Masterplan; Core Office Strategy and 21st Century Schools. Budget monitoring reports have provided updates of the 2022/23 Capital Programme during the year, with the Capital Strategy, timing and priorities to be updated along with indicators of Affordability, Prudence and Sustainability in the 2023/24 budget proposals. This will inform the updated Treasury Management Strategy for that year.
- 4.2 The main sources of external borrowing currently are the PWLB and the Money Markets, although recent years has seen an increase in repayable loans received from Welsh Government. The Council does not separate General Fund and Housing Revenue Account borrowing as all borrowing is the liability of the Council i.e. borrowing is ‘pooled’.
- 4.3 Where capital expenditure has been incurred without a resource to pay for it i.e. when proposed to be paid for by supported or unsupported borrowing, this will increase what is termed the Council’s Capital Financing Requirement (CFR) which is the Council’s underlying need to borrow. The Council is required to make a prudent provision for the repayment of historic capital expenditure from its revenue budget in line with its agreed policy which reduces the CFR. Calculation of the CFR is summarised in the table below and results in the need to borrow money.

<b>Movement</b>	<b>Opening Capital Financing Requirement (CFR)</b>
+	Capital expenditure incurred in year
-	Grants, contributions, reserves and receipts used for capital expenditure
-	Prudent Minimum Revenue Provision and Voluntary Repayment
=	<b>Closing Capital Financing Requirement (CFR)</b>

- 4.4 The CFR forecast is subject to the timing of capital expenditure, capital receipts and new schemes that may be considered for approval in future years. It can be seen that the Council’s underlying need to borrow is increasing and will need to be repaid from future revenue budgets either from savings, revenue income or Council Tax and Housing Rents.

4.5 The chart below shows the trend in the CFR including the Housing Revenue Account. The latter includes the £187 million payment made from the HRA to HM Treasury to exit the subsidy system in 2015/16 and also future expenditure to create new Council owned affordable housing in accordance with the Housing 30 Year Business Plan, which will be updated in March 2023. The increase for the General Fund relates to previous commitments and new expenditure commitments primarily those assumed to pay for themselves from future income or savings such as the indoor arena, City Deal and the 21<sup>st</sup> Century School's financial model. Future projections of the CFR are those included in the budget report of March 2022. These projections will be updated in the Capital Strategy for 2023/24 in March 2023 based on updated timing of the Capital investment programme and resources deemed available to fund it.



4.6 At 30 September 2022, the Council had £852.1 million of external borrowing predominantly made up of fixed interest rate borrowing payable on maturity.

31 March 2022			30 September 2022	
£m	Rate (%)		£m	Rate (%)
763.1		Public Works Loan Board	759.7	
51.0		Market (Lender Option Borrower Option)	51.0	
23.2		Welsh Government	23.1	
18.3		Local Authorities and other	18.3	
<b>855.6</b>	<b>4.01</b>	<b>Total External Debt</b>	<b>852.1</b>	<b>4.01</b>

The estimated total interest payable on borrowing for 2022/23 is £34.1 million which includes an estimate of interest payable by the Housing Revenue Account of circa £13.4 million.

#### New borrowing undertaken during the first half of the year

- 4.7 During the first half of the year an Interest free loan of £273,000 was received from Welsh Government in respect of Refit Phase 2. Further loans from Welsh Government totalling £4 million are also expected to be drawn down by the end of the financial year in respect to projects including LED lighting implementation on residential streets and for Cardiff Heat Network Limited.

#### Maturing Loans in year to date

- 4.8 **Annexe D** shows the maturity profile of the Council's borrowing as at 30 September 2022. Maturing loans of £3.8 million have been repaid in the first half of this year with a further £19 million due to be repaid by 31 March 2023.
- 4.9 Lender Option Borrower Option (LOBO) products are loans to the Council where the lender can request a change in the rate of interest payable by the Council on pre-determined dates. The Council at this point has the option to repay the loan without penalty.
- 4.10 The Council has six such loans totalling £51 million. Apart from the option to increase rates, these loans are comparable to PWLB and have no other complications such as variation in interest rates or complex terms.
- 4.11 Interest rates on these loans range between 3.81% and 4.35% and details of the loans are shown in the table below.

£m	Rate	Potential Repayment Date	Option Frequency	Full Term Maturity
6	4.28%	21/11/2022	6 months	21/11/2041
6	4.35%	21/11/2022	6 months	21/11/2041
6	4.06%	21/11/2022	6 months	23/05/2067
5	4.10%	17/01/2023	6 months	23/05/2067
6	4.08%	02/03/2023	5 years	17/01/2078
22	3.81%	21/11/2025	5 years	23/11/2065

- 4.12 LOBOs to the value of £29 million are subject to the lender potentially requesting a change in the rate of interest payable in the remainder of the year. This is deemed unlikely, and any risk is a manageable refinancing risk as LOBOs in total, form a relatively low proportion of the Council's current overall borrowing at 6%.

## Borrowing Strategy

- 4.13 As shown in the report above, the interest rates on borrowing, whilst currently elevated and volatile, they are forecast to reduce. This and the fact that borrowing rates are higher than investment rates means that the cost of undertaking and locking into new fixed rate borrowing would have a negative impact on the revenue budget. External borrowing may be deferred to minimise short term costs by using temporary cash balances to meet the Capital Financing Requirement rather than placing in an investment. This is termed 'internal borrowing'. However deferring borrowing is only a short-term measure and could expose the Council to higher borrowing rates and costs in the future. For 2022/23, opportunities for short term external borrowing will be considered in the last quarter of the year where required, however any borrowing requirement for 2022/23 is expected to be managed by internal borrowing, i.e. using temporary cash balances held as investments. This is deemed manageable for the year. For future years as the borrowing requirement increases and interest rate volatility stabilises, further short or long term external borrowing will be required to ensure there is certainty of interest costs for future years and mitigate risks. The strategy will be updated in March 2023, with updated economic forecasts and in line with an updated capital strategy.
- 4.14 If no further borrowing is undertaken, the value of external loans at 31 March 2023 will be £837 million. At the same point, the Council's need to borrow for capital expenditure purposes, its Capital Financing Requirement (CFR), is currently forecast to be circa £933 million (General Fund £592 million and HRA £341 million). Without any further borrowing this financial year internal borrowing would be £96 million. It is expected that the level of internal borrowing will reduce due to receipt of additional external grants towards capital expenditure commitments and also as a result of unforeseen delay in projects assumed to be paid for by borrowing.
- 4.15 The Council is undertaking a number of projects that involve the Welsh Government providing interest free loans to the Council or an income stream to undertake specified projects such as town centre loans, energy projects and coastal erosion. Welsh Government take no risk in such projects and expect all loans to be repaid. Where the Council is taking on specific loans for the delivery of specified projects, robust business case processes and legal charges if appropriate should be in place to ensure any loans can be repaid following implementation of projects.

## **Debt Rescheduling**

- 5.1 No debt rescheduling, or early repayment of debt has been undertaken to date in 2022/23. The main obstacle remains the level of premium (penalty) that would be chargeable on early repayment by the PWLB. Of the existing PWLB loans of £759.7 million, £683.7 million are eligible for early repayment. However, this would incur a premium of £106.1 million as at 30 September 2022. This premium is payable primarily because:

- Interest rates on loans of equivalent maturities compared to those held are currently lower
- A penalty rate or lower early repayment rate was introduced by HM Treasury in November 2007, which increased the cost of premiums and reduced the flexibility of Local Authorities to make savings. This remains an obstacle in the ability of local authorities to manage debt more effectively.

5.2 Whilst the cost of Premiums can be spread over future years, options for restructuring that have been considered result in an adverse Net Present Value (NPV). Whilst there may have been short terms savings, these were outweighed by potentially longer-term costs and not deemed cost effective.

### **Compliance with treasury limits and prudential indicators**

6.1 During the financial year to date, the Council has operated within the treasury limits and prudential indicators set out in the annual Treasury Management Strategy in March 2022. The treasury and capital prudential indicators will be updated as part of the 2023/24 Capital and Treasury Strategies in the Budget Report to Council in March 2023. Affordability of additional investment will need to be monitored closely as part of the Medium-Term Financial Plan and Housing Revenue Account Business Planning process.

### **Treasury strategy for the remainder of 2022/23**

7.1 The Treasury Strategy approved in March 2022 remains valid despite the impact of uncertainty in financial markets and no change is required to indicators or affordability limits approved for the year. The use of temporary cash balances instead of long term fixed borrowing to pay for capital expenditure in the short term will result in short term savings, however there is a significant borrowing requirement in this and future years. The approach will be reviewed as part of the update of the Treasury Management Strategy for 2023/24.

7.2 As set out in the annual report considered by Council in October 2022, key issues to consider for the remainder of 2022/23 include:

- The balance of internal borrowing and timing of external borrowing to pay for the Council's longer term need to borrow.
- Ongoing financial market uncertainty.
- Inclusion of Environmental, Social and Governance (ESG) issues within Treasury Management Practices.
- Ensuring compliance with HM Treasury revised lending policies and processes aimed to prevent borrowing undertaken to fund investment purely for financial gain. It should be noted that any such expenditure would preclude any borrowing from the PWLB.
- A requirement for the Council to adopt a debt liability benchmark to add to the existing suite of treasury indicators.
- Review of knowledge and skills register for individuals involved in the Treasury management function.

- Development of investment management practices for expenditure classified as investments which are not specifically held for treasury management purposes.
- Updating the Treasury Management Strategy for the 2023/24 budget in line with any updates to the Capital Investment Programme forecasts and scheme delivery including the impact of major regeneration projects.

## **Annexes**

Annexe A – Treasury Management Policy and Four Clauses of Treasury Management

Annexe B – Investments at 30 September 2022

Annexe C – Investment Charts at 30 September 2022

Annexe D – Maturity Analysis of Borrowing as at 30 September 2022

Annexe E – Glossary of Treasury Management terms



**Treasury Management Policy and Four Clauses of Treasury Management adopted by Council 25/02/2010**

**Council's treasury management Policy / Activities**

1. This Council defines its treasury management activities as: the management of its investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.
2. This Council regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications.
3. This Council acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving value for money in treasury management, and to employing suitable comprehensive performance measurement techniques, within the context of effective risk management.

**Four Clauses of Treasury Management**

4. In compliance with the First Clause, this Council will create and maintain, as the cornerstones for effective treasury management:-
  - A treasury management policy statement, stating the policies, objectives and approach to risk management of its treasury management activities
  - Suitable Treasury Management Practices (TMPs), setting out the way the Council will seek to achieve those policies and objectives, and prescribing how it will manage and control those activities
5. In compliance with the Second Clause, this Council will receive reports on its treasury management policies, practices and activities, including, as a minimum, an annual strategy in advance of the year, a mid-year review and an annual report after the year's close, in the form prescribed in its TMPs.
6. In compliance with the Third Clause, this Council delegates responsibility for the implementation and regular monitoring of its treasury management policies and practices to the Executive, and for the execution and administration of treasury management decisions to the Corporate Director Resources in accordance with existing delegations, who will act in accordance with the Policy Statement, TMPs and CIPFA's Standard of Professional Practice on Treasury Management.
7. In compliance with the Fourth Clause, this Council requires the scrutiny of the accounting, audit and commercial issues of its Treasury Management Strategy

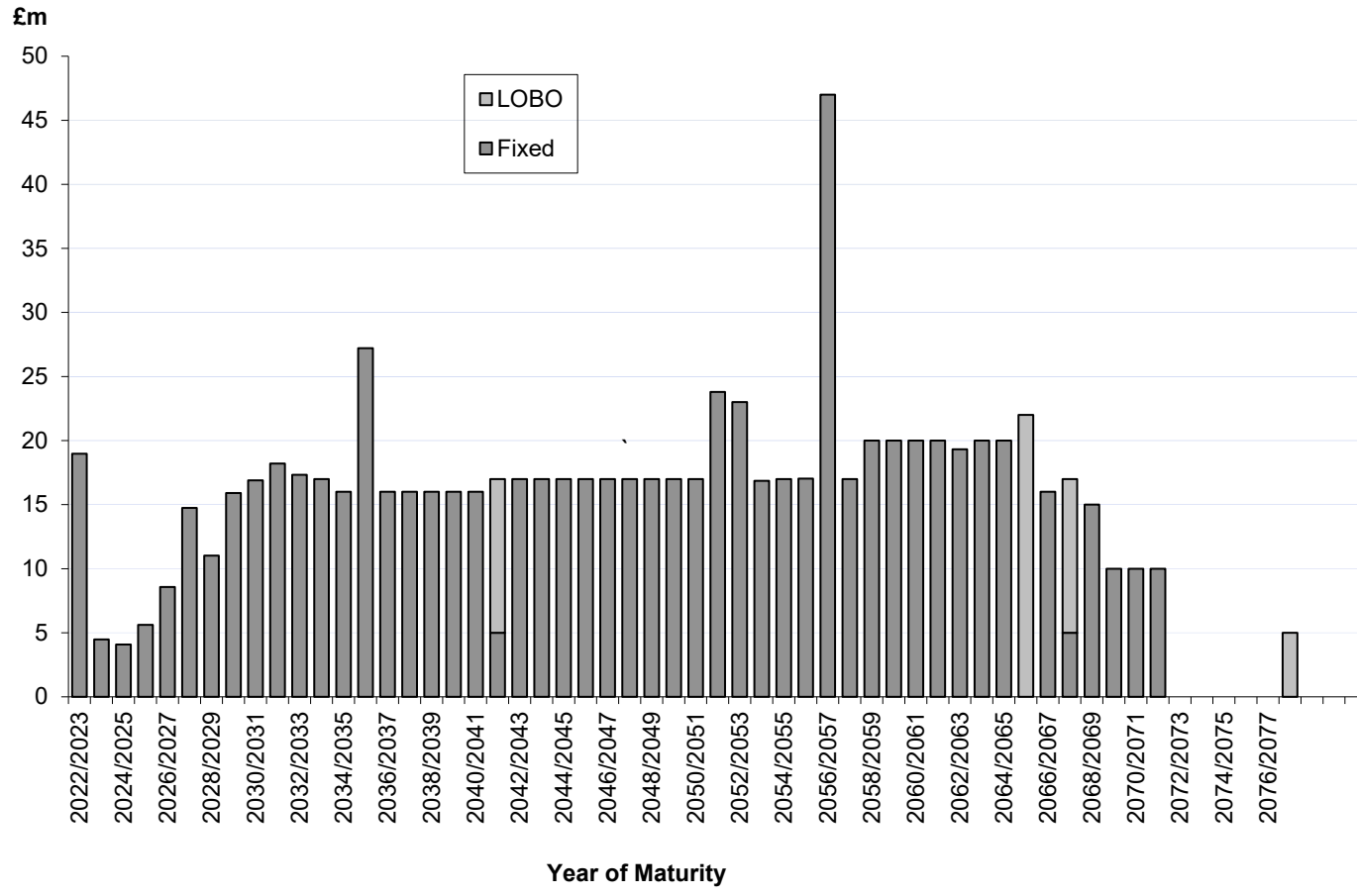
and Practices to be undertaken by the Council's Audit Panel due to the technical nature of the documents.

By virtue of paragraph(s) 14, 21 of Part(s) 4 and 5 of Schedule 12A of the Local Government Act 1972.

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Maturity Profile of Debt at 30 September 2022



## Glossary of Terms - Treasury

### **Bank Rate**

The rate of interest set by the Bank of England as a benchmark rate for British banks.

### **Bonds**

A long-term debt security issued by a company, a financial institution, a local authority, national government or its affiliated agencies. It represents an undertaking to repay the holder the fixed amount of the principal on the maturity date plus a specified rate of interest payable either on a regular basis during the bond's life (coupon) or at maturity.

### **Borrowing**

Loans taken out by the authority to pay for capital expenditure or for the prudent management of the Council's financial affairs, which are repayable with interest.

### **Capital Expenditure**

Capital expenditure pays for improvements to existing and new assets used in the delivery of Council services as well as other items determined by Regulation. Capital resources are scarce, costly and also have long term revenue implications over many years and even generations where capital expenditure is funded by borrowing. Hence the requirement of the Prudential Code to ensure what is charged as Capital Expenditure is Prudent, Sustainable and Affordable.

The statutory definition of capital expenditure is given in the Local Government Act 2003, the Local Authorities (Capital Finance) Regulations 2003 and 2004 as amended. Statute relies on the accounting measurement of cost in International Accounting Standard (IAS) 16 to determine whether expenditure is eligible to be capitalised or whether it should be treated as revenue expenditure. Key to what is eligible as capital spend are the following words in IAS 16 - 'Costs directly attributable to bringing the specific asset into working condition for its intended use'.

### **Capital Financing Requirement (CFR)**

An authority's underlying need to borrow for a capital purpose. It measures capital expenditure incurred but not yet financed by the receipt of grants, contributions and charges to the revenue account.

### **Capital Market**

A market for securities (debt or equity), where companies and governments can raise long-term funds (periods greater than one year). The raising of short-term funds takes place on other markets (e.g. the money market).

### **Capital Programme**

The Capital Programme sets out the Council's capital expenditure plans for the forthcoming financial year as well as for the medium term. It is approved annually at Council and identifies the estimated cost of those schemes, their

projected phasing over financial years as well as the method of funding such expenditure.

### **Certificates of Deposits (CDs)**

A certificate issued for deposits made at a deposit-taking institution (generally a bank). The bank agrees to pay a fixed interest rate for the specified period and repays the principal at maturity. CDs can be purchased directly from the banking institution or through a securities broker. An active interbank secondary market exists to buy and sell CDs.

### **Chartered Institute of Public Finance & Accountancy (CIPFA)**

CIPFA is the professional body for accountants in public finance. As a specialised public services body, it provides information, guidance, and determines accounting standards and reporting standards to be followed by Local Government.

### **Collective Investment Scheme Structures**

Schemes whereby monies from a number of investors are pooled and invested as one portfolio in accordance with pre-determined objectives.

### **Corporate Bonds**

Bonds that are issued by a company or other non-government issuers. They represent a form of corporate debt finance and are an alternative means of raising new capital other than equity finance or bank lending.

### **Counterparty**

One of the parties involved in a financial transaction with whom the Council may place investments.

### **Counterparty / Credit Risk**

Risk that a counterparty fails to meet its contractual obligations to the Council to repay sums invested.

### **Credit Criteria**

The parameters used as a starting point in considering with whom the Council may place investments, aimed at ensuring the security of the sums invested.

### **Credit Default Swaps**

A financial transaction which the buyer transfers the credit risk related to a debt security to the seller, who receives a series of fees for assuming this risk. The levels of fees reflect the perceived level of risk.

### **Credit Rating**

A credit rating assesses the credit worthiness of an individual, corporation, or even a country. Credit ratings are calculated from financial history and current assets and liabilities. Typically, a credit rating tells a lender or investor the probability of the subject being able to pay back a loan. Ratings usually consist of a long-term, short term, viability and support indicators. The Fitch credit rating

of F1 used by the Council is designated as “Highest Credit Quality” and indicates the strongest capacity for timely payment of financial commitments.

### **Debt Management Account Deposit Facility (DMADF)**

The Debt Management Office provides this service as part of its cash management operations and of a wider series of measures designed to improve local and central government’s investment framework and cash management. The key objective of the DMADF is to provide users with a flexible and secure facility to supplement their existing range of investment options while saving interest costs for central government.

### **Debt Restructuring**

Debt restructuring is a process that allows an organisation to reduce, renegotiate and undertake replacement debt.

### **Diversification of Investments**

The process of creating a portfolio of different types of financial instruments with regard to type, price, risk issuer, location, maturity, etc. to reduce the overall risk of the portfolio as a whole.

### **Duration (Maturity)**

The length of time between the issue of a security and the date on which it becomes payable.

### **External Borrowing**

Money borrowed from outside of the Council.

### **Financial Instrument**

Any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another. Typical financial liabilities are borrowing and financial guarantees. Typical financial assets include bank deposits, amounts owed by customers, loans receivable and investments.

### **Fitch Credit Ratings**

A commercial organisation providing an opinion on the relative ability of an entity to meet financial commitments, such as interest, preferred dividends, repayment of principal, insurance claims or counterparty obligations. The opinion is usually provided in the form of a credit rating.

### **Fixed Rate**

An interest rate that does not change over the life of a loan or other form of credit.

### **Floating Rate Notes**

A money market security paying a floating or variable interest rate, which may incorporate a minimum or floor.



### **Fraud / Error Risk**

Risk of losses being incurred as a result of fraud, error or corruption in treasury management and failure to institute adequate systems, procedures and other arrangements to prevent irregularities.

### **Housing Revenue Account (HRA)**

The HRA is an account of expenditure and income that every local authority housing department must keep in accordance with the Local Government & Housing Act 1989. The account is kept separate, or ring fenced from other Council activities. Income is primarily generated by the rents and service charges paid by tenants, while expenditure is on the management and maintenance of the housing stock, and capital financing charges on the HRA's outstanding loan debt.

### **Interest Rate Risk**

Risk that fluctuations in interest rates could impose extra costs against which the Council has failed to protect itself adequately.

### **Internal Borrowing**

Money borrowed from within the Council, sourced from temporary internal cash balances.

### **Investments**

The purchase of financial assets to receive income and/or make capital gain at a future time, however with the prime concern being security of the initial sum invested.

### **Lender Option Borrower Option Loans (LOBOs)**

Loans to the Council where the lender can request a change in the rate of interest payable by the Council at pre-defined dates and intervals. The council at this point has the option to repay the loan.

### **Liquidity**

The ability of the Council to meet its financial obligations as they fall due.

### **Market Loans**

Borrowing that is sourced from the market i.e. organisations other than the Public Works Loan Board or a Public Body.

### **Medium Term Financial Plan**

Plan outlining the financial strategies and actions that are envisaged by the Council in the medium term regarding the budget.

### **Markets in Financial Instruments Directive (MiFID)**

EU legislation that regulates firms who provide financial instrument services. MiFID was applied in the UK from November 2007 but was revised with changes taking effect from 3 January 2018 (MiFID II).

The aim is to ensure financial institutions undertake more extensive checks on their client's suitability for investment products. Organisations undertaking investments will be either classified as 'retail' or 'professional'.

MiFID II requires all Local Authorities to be initially treated as "retail clients" unless they "opt up" to a "professional client". The assumption being that retail clients require a greater level of due diligence and support for investment decision making. Financial institutions will owe a greater duty of care to retail clients, however, they will have no greater financial protection than professional clients.

### **Minimum Revenue Provision (MRP)**

This is the amount which must be charged to the authority's revenue account each year and set aside as provision for repaying external loans and meeting other credit liabilities. The prudent amount is determined having regard to guidance issued by WG. This has the effect of reducing the Capital Financing Requirement (CFR).

### **Money Market**

The market for short-term securities or investments, such as certificates of deposit, commercial paper or treasury bills, with maturities of up to one year.

### **Money Market Funds**

An investment fund which pools the investments of numerous depositors, spreading those investments over a number of different financial instruments and counterparties. Funds with a Constant Net Asset Value (CNAV) are those where the sum invested is the same on maturity, Low Volatility Net Asset Value (LVNAV) are those where any sum invested is likely to be the same on maturity. Funds with a Variable Net Asset Value (VNAV) are those where the sum on maturity could be higher or lower due to movements in the value of the underlying investments.

### **Net Asset Value (NAV)**

The market value of an investment fund's portfolio of securities as measured by the price at which an investor will sell a fund's shares or units.

### **Pooling**

The process whereby investments or loans are held corporately rather than for specific projects or parts of the Council, with recharges to those areas for their share of the relevant income and expenditure using an agreed methodology, where such a recharge is required to be made.

### **Prudential Code for Capital Finance**

The system introduced on 1 April 2004 by Part 1 of the Local Government Act 2003 which allows local authorities to borrow without Government consent, provided that they can afford to service the debt from their own resources and that any such borrowing is prudent and sustainable. This requires the preparation and approval of various indicators.

### **Public Works Loans Board (PWLB)**

The Public Works Loans Board is a statutory body operating within the United Kingdom Debt Management Office, an Executive Agency of HM Treasury. PWLB's function is to lend money from the National Loans Fund to local authorities and other prescribed bodies, and to collect the repayments.

### **Refinancing Risk**

Risk that maturing borrowing or other financing of capital projects cannot be renewed on terms that reflect existing assumptions and that the Council will suffer extra costs as a result.

### **Regulatory Risk**

Risk that actions by the Council or by any person outside of it are in breach of legal powers or regulatory requirements resulting in losses to the Council, or the imposition of extra costs.

### **Security**

Protecting investments from the risk of significant loss, either from a fall in value or from default of a counterparty.

### **Sovereign Credit Ratings**

The credit rating of a country. It indicates the risk level of the investing environment of a country, taking into account political risk and other factors.

### **Sterling**

The monetary unit of the United Kingdom (the British pound).

### **Term Deposits**

A term deposit is a money deposit at a banking institution that cannot be withdrawn for a certain "term" or period of time.

### **Treasury Management**

The management of the organisation's borrowing, investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.

### **Treasury Bills**

Debt securities issued by a government with a short-term maturity of up to 6 months.

### **UK Government Gilts**

Fixed-interest debt securities issued or secured by the British Government. Gilts are always denominated in sterling though the Government occasionally also issues instruments in other currencies in the Eurobond market or elsewhere.

### **Variable Rate**

An interest rate that changes in line with market rates.

### **Yield**

The annual rate of return paid out on an investment, expressed as a percentage of the current market price of the relevant investment.

**CABINET MEETING: 17 NOVEMBER 2022**

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**NON-DOMESTIC RATES – WRITE OFFS**

**FINANCE, MODERNISATION & PERFORMANCE (COUNCILLOR  
CHRIS WEAVER)**

**AGENDA ITEM: 6**

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*Appendices A and B to this report are exempt from publication by virtue of paragraph 14 of Part 4 and paragraph 21 of Part 5 of Schedule 12A of the Local Government Act 1972*

**Reason for this Report**

1. The purpose of this report is to obtain formal authorisation to write off Non-Domestic Rate debts which exceed £100,000 in value. This request is made in accordance with Part 3, section 2, of the Cardiff Council Constitution, Executive Decision making function number 20.

**Background**

2. Cardiff Council has a statutory obligation to levy and collect business rates from all relevant non-domestic properties in its area. There are around 13,000 rating assessments currently shown in the Rating List leading to rate liabilities varying in size from £250 to over £2.25 million per year. All business rate income collected is paid into a National Pool for Wales and redistributed back to local authorities on a per capita basis. This year Cardiff Council is responsible for billing and collecting approximately £195 million worth of business rates and inevitably there are occasions where collection of the full tax is not possible resulting in the writing off of the outstanding debt. This course of action is taken only after all possible recovery options have been exhausted. These include sending reminders, final notices, and the obtaining of liability orders from the Magistrate's Court, which then entitles the authority to instigate further action such as bankruptcy/liquidation proceedings or the ability to levy distress, (the distraining and selling of taxpayer's goods, the proceeds then being used to offset against the debt).

**Issues**

3. The confidential appendices detail accounts which have an outstanding rate liability in excess of £100,000 and give a brief background to the cases. The liability relates to occupied/unoccupied rate charges and despite Officer's best efforts it is highly unlikely that the outstanding debt

will ever be recovered. (If any money is subsequently received the accounts will be adjusted accordingly).

### **Reason for Recommendations**

4. It is recommended that the debt is written off as it is irrecoverable.

### **Financial Implications**

5. Business rates are collected on behalf of the Welsh Government. Collections across Wales are pooled and redistributed to Local Government on a per capita basis as part of Aggregate External Finance. The cost of all write offs are borne by the pool, and not directly by the Council.

### **Legal Implications**

6. Authorisation is required from the Cabinet to write off the debts as they exceed the level that Officers have delegated powers to write off.

### **General advice**

7. In considering the proposals, the Council must have regard to its public sector equality duties under the Equality Act 2010 (including specific Welsh public sector duties). Pursuant to these legal duties, Councils must in making decisions have due regard to the need to (1) eliminate unlawful discrimination, (2) advance equality of opportunity and (3) foster good relations on the basis of protected characteristics. The Protected characteristics are: age, gender reassignment, sex, race – including ethnic or national origin, colour or nationality, disability, pregnancy and maternity, marriage and civil partnership, sexual orientation, religion or belief – including lack of belief. When taking strategic decisions, the Council also has a statutory duty to have due regard to the need to reduce inequalities of outcome resulting from socio-economic disadvantage ('the Socio-Economic Duty' imposed under section 1 of the Equality Act 2010). In considering this, the Council must take into account the statutory guidance issued by the Welsh Ministers and must be able to demonstrate how it has discharged its duty. An Equalities Impact Assessment should be carried out to identify the equalities implications of the proposed decision, including inequalities arising from socio-economic disadvantage, and due regard should be given to the outcomes of the Equalities Impact Assessment.
8. The Council must also be mindful of the Welsh Language (Wales) Measure 2011 and the Welsh Language Standards and consider the impact of its proposals upon the Welsh language.
9. The Well-being of Future Generations (Wales) Act 2015 requires the Council to consider how the proposals will contribute towards meeting its well-being objectives (set out in the Corporate Plan). Members must also be satisfied that the proposals comply with the sustainable development

principle, which requires that the needs of the present are met without compromising the ability of future generations to meet their own needs.

**HR Implications**

10. There are no HR Implications for this report

**Property Implications**

11. There are no property implications for this report

**RECOMMENDATIONS**

The Cabinet is recommended to approve authorisation to write off the debts set out in **Appendix A**, amounting to £1,282,187.71

<b>SENIOR RESPONSIBLE OFFICER</b>	<b>CHRISTOPHER LEE</b> Corporate Director Resources
	11 November 2022

*The following appendices are attached:*

- Appendix A – Summary of debt to be written off.
- Appendix B – Details of the case

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By virtue of paragraph(s) 14, 21 of Part(s) 4 and 5 of Schedule 12A of the Local Government Act 1972.

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By virtue of paragraph(s) 14, 21 of Part(s) 4 and 5 of Schedule 12A of the Local Government Act 1972.

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**CABINET MEETING: 17 NOVEMBER 2022**

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**BUDGET MONITORING – MONTH 6 2022/23****FINANCE, MODERNISATION & PERFORMANCE (COUNCILLOR  
CHRIS WEAVER)****AGENDA ITEM: 7**

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**Reason for this Report**

1. To provide the Cabinet with details of the projected 2022/23 financial monitoring position as at the end of September 2022 (Month 6) adjusted for any significant amendments since that date, against the budget approved by Council on 3rd March 2022.

**Background**

2. Council approved the 2022/23 budget on the 3rd of March 2022 with the key sources of funding underpinning the budget being the Revenue Support Grant (RSG) from Welsh Government, the amount forecast to be raised by Council Tax and other income sources including fees and charges and various specific grants. RSG increased by 10.7% (£52.6 million in cash terms after adjusting for transfers) in 2022/23 although the context was one of transitioning into a post pandemic period and significant uncertainty and risk evident across many areas.
3. The 2022/23 budget also heralded the end of the Local Authority Hardship Fund which meant that the Council would need to ensure it could cover any ongoing COVID-19 related pressures (both expenditure and income) from within its own budgetary allocation.
4. The Council faces unprecedented challenges to its financial resilience due to a combination of the legacy of the pandemic, energy pricing, pay pressures and the cost-of-living crisis. This monitoring report will set out the current known pressures and risks and any subsequent mitigations being undertaken. The report provides details of the overall revenue position, including performance against budgeted savings targets and a detailed position update on the Capital Programme.
5. The Month 4 monitoring position noted that the report did not include any assumptions over and above the already budgeted pay awards of 3% for 2022/23. With the NJC pay negotiations being concluded, the financial impact of the current pay award offer has been included in this Month 6 monitoring report.

6. As reported on the 20 October Cabinet, the 2023/24 Budget Update Report highlighted the possibility of pay inflation exceeding the 2022/23 budgeted levels for pay awards. Across the UK, sustained levels of high inflation have placed upward pressure on pay awards and this has resulted in pay offers in the current financial year that exceed the budgeted level of 3%. The Council is a service-driven organisation and therefore workforce costs are a key cost driver of internally provided services. With the NJC pay award for 2022/23 being agreed, this monitoring report has been updated to reflect the potential impact on the monitoring position based on the latest information.
7. For 2022/23, the National Joint Committee (NJC) collective agreement for pay has now been received (which encompasses most Council staff), is an uplift of £1,925 across all pay scales. In percentage terms, this is a 10.5 % increase at the bottom of the Council's pay spine, 4.3% at the top, and between 1.02% and 3.97% for senior officers. The additional cost of the potential NJC award compared to the 3% budgeted in 2022/23 is £4.961 million for Directorates and £3.20 million for Schools). The Independent Welsh Pay Review Body (IWRPB) has recommended a teachers' pay award of 5% in September 2022. The additional cost of this compared to the 3% that was budgeted is £1.5 million.

## Issues

### Revenue Position

8. The overall revenue position reported in the paragraphs that follow below comprises of projected variances, including any shortfalls anticipated against the 2022/23 budget savings proposals and any additional savings or efficiencies that have been identified during the year. The financial position also includes an anticipated cost of the pay award negotiations across each directorate. In order to provide a clear comparison between the Month 4 position and the Month 6 forecast, Appendix 1 sets out in detail the variance breakdown due to the pay award and those assumptions comparable to Month 4.
9. The overall monitoring position, as at Month 6, reflects a total projected net annual Council overspend of £7.394 million. The impact of the pay award is £4.961 million and the comparable variance for Month 6 (exclusive of the pay award) is £2.433 million (Month 4 £7.368 million).
10. The Directorate position is an overspend of £11.438 million (£11.253 million at month 4 without the pay award impact reflected). Offsetting this, there is a projected underspend of £1.700 million in relation to Capital Financing, a projected underspend against the Summary Revenue Account of £0.344 million and the £2 million general contingency budget.
11. The table below provides a summary of the overall position:

<b>Directorate</b>	<b>(£000)</b>
Corporate Management	(6,424)
Economic Development:	
Economic Development	2,618
Recycling & Neighbourhood	1,358
Education & Lifelong Learning	6,224

People & Communities:	
Housing, & Communities	(764)
Performance & Partnerships	(128)
Adult Services	(495)
Children's Services	8,302
Planning, Transport & Environment	224
Resources:	
Governance & Legal Services	539
Resources	(16)
<b>Total Directorate Position</b>	<b>11,438</b>
Capital Financing	(1,700)
General Contingency	(2,000)
Summary Revenue Account	(344)
<b>Total Net Council Position</b>	<b>7,394</b>

12. The table above indicates the continued pressure across several service areas in terms of budgetary performance and these are contributing to a significant overall projected overspend at Month 6. However, the overall position is comparable to Month 4 despite an additional cost of £4.961 million due to the impact of the 2022/23 pay award. The corrective action and additional savings identified by directorates has therefore already had an impact on the position. However more will be required over the remaining months of 2022/23 to achieve a balanced budget position.
13. There are several factors impacting on the bottom-line position, many of which were not evident when budgets were set in March of this year. In financial terms, the pressures within Children's Services are the most significant and in the main relate to high numbers and costs of residential placements. Across broader services, post pandemic recovery has been overshadowed by an energy and cost-of-living crisis that has resulted in significant expenditure pressures in areas such as food costs, fuel and utilities. It has additionally dampened down income recovery given the squeeze on household budgets.
14. The specific overspends and underspends within each directorate's position are outlined in more detail within Appendix 2. In summary, the three most significant variances are noted below:
- a. **Economic Development** (+£2.618M) - The position exclusive of the pay award is an overspend of £1.806 million; an improvement of £1.054 million which includes additional in-year savings of £420,000. Income shortfalls within Culture, Venues and Events are a significant factor contributing to the overspend, as well as the high cost of energy across council buildings. There are also pressures within Property Services and Sport, Leisure and Development.
  - b. **Education** (+£6.224M) - The position exclusive of the pay award is an overspend of £5.588 million; a deterioration of £164,000 compared to the month 4 forecast and inclusive of £273,000 additional identified in year savings. A key pressure contributing to this overspend is in relation to

School Transport due to rising costs in fuel and driver supply combined with the increased number of pupils with additional learning needs requiring transport. There are also significant pressures in respect of out of area placements and school catering services, the latter being impacted by price increases in relation to food and transport costs combined with reduced income from paid school meals.

- c. **Children's Services** (+£8.302M) - The position exclusive of the pay award is an overspend of £7.577 million; an improvement of £1.373 million compared to the month 4 report. The majority of this overspend remains attributable to residential and additional bespoke placements that have arisen this year reflecting the complexity of need and the limited spaces available in the residential market.
15. As part of the Budget Strategy for 2022/23, a COVID recovery budget of £10 million was established to deal with post pandemic issues given the cessation of the Welsh Government Hardship Fund. Current issues around energy costs and the cost-of-living crisis have meant that this budget is also able currently to offset part of these costs. Within the Corporate Management line of the budget, the assumption remains that £6.463M of this allocation is committed at Month 6 thus providing a level of resilience (£3.537 million) if further pressures emerge by the end of the financial year.
  16. As reported in Month 4, within Children's Services an urgent programme of work has been established to seek to reduce spend and deliver improvements across a range of services linked specifically to the issue of external placements. The work currently undertaken has resulted in a review of higher cost placements and has looked to reduce the period of time those premises are occupied. The number and complexity of cases coming through combined with the inability of the market to provide placement solutions remains unprecedented at this time. The position continues to include a number of high-cost bespoke placements that are currently being reviewed and any step downs or changes once confirmed will be reflected in future monitoring reports. The actions being taken to mitigate the position include focussed work on the following activities:
    - a. Managing placement requests
    - b. Maximising the current placement options
    - c. Looking at options for move on
    - d. Developing the support market in Cardiff
    - e. Developing Foster Care options to meet complex needs
    - f. Addressing specific issues around unaccompanied asylum-seeking children
    - g. Improving data reporting and financial analysis arrangements
    - h. Maximising opportunities for additional grant funding and appropriate partner contributions
  17. The position at Month 6 assumes use of £1.280 million of Children's Contingency to deal with the cost differential of agency staff versus full time staff. The success in terms of reducing the reliance on agency staff has resulted in decreased numbers of agency staff covering vacant posts but the variance in cost between agency and full-time staff has increased. This is being offset from



the Children's Contingency for 2022/23 given targets are being met as set in the Council's Corporate Plan.

18. In terms of further monitoring of the Children's Services financial position, future periods will continue to reflect outcomes from the work being undertaken currently. The position also continues to assume no external grant funding is receivable and again this will be adjusted if, as in previous years, grants are made available by Welsh Government to support pressure in this area.
19. The 2022/23 Budget Report outlined directorate savings of £7.708 million of which £1 million represented a reduction in General Contingency which was actioned as part of the approval process for the Budget. This paragraph will report on the performance of the savings proposals as part of the 2022/23 budget (£6.658 million). As outlined in Appendix 3, there is an overall projected shortfall of £240,000 (4.3%) against the directorate savings target of £5.558 million. The £1.1 million of corporate savings are all projected to be achieved.
20. Given the continued pressure on the budget position, all services have reviewed opportunities to deliver further in-year efficiencies. These savings total £3.323 million, and have been taken into account in the overall projected position for Month 6. These savings, which are over and above those budgeted in March 2022, represent a first set of actions, and work will continue to deliver more over the remaining months of the financial year. There remains a focus on avoiding front line impact and taking efficiencies where opportunities arise but the financial challenge over the long term will not be achieved simply by efficiencies alone.
21. The Capital Financing outturn is currently forecast to be £1.700 million underspent at the end of the financial year. This forecast is set having regard to assumptions about our levels of actual external borrowing in year and the timing of such; movement in bank interest rates (outside our control) and levels of daily cash balance; estimates of how any capital expenditure for the Housing Revenue Account and General Fund is to be funded at year-end. Treasury assumptions and performance will continue to be monitored closely (the mid-year review will be reported to Council in November 2022) and at Month 6, only the underspend with respect to interest receivable has been factored into the position. The underspend continues to be due to increases in recent Bank of England base rates resulting in higher interest income receivable on temporary cash balances, represented by bank deposits held. The position will continue to be monitored as the fiscal landscape evolves and further adjustments to forecasts will be made when identified.
22. In considering an appropriate level of bad debt provision in respect of Council Tax and having due regard to the collectability of the Council Tax in the current economic climate, the Council is still able to report an underspend in the region of £0.483 million. This position whilst considered prudent will continue to be closely monitored throughout the financial year.
23. As part of the reported directorate positions, contributions to and from contingency budgets have been incorporated where appropriate. As fluctuations in the CTRS budget are managed by a corporate contingency, these include a transfer from the Council Tax Reduction Scheme (CTRS) budget, of

£0.120 million. The transfer reflects the current projected in year position, which takes into account the impact of the Council Tax increase as well as in year demand from residents for financial support. In addition, the Children's Services position currently presumes that £1.280 million has been drawn down from the £2.150 million contingency budget held for meeting the additional costs arising from a reduction in agency staff as referenced earlier in the report. This leaves £0.870 million for any further demand in Children's Services and the risk of increasing external residential placements for the remainder of this year.

24. In addition to the general fund directorate positions, ring-fenced and grant funded accounts are outlined in more detail as part of Appendix 2. In summary, the position on the Housing Revenue Account (HRA) is currently indicating a potential surplus of £656,000 despite the potential impact of a higher than anticipated pay award increase of approximately £1 million. Underspends on capital financing costs due to the impact on debt repayment and external interest charges of the 2021/22 reduced borrowing requirement are partly offset by increased premises costs reflecting the current utilities market. Any surplus will be used to improve the ability to deal with future budget pressures including capital works delayed to future years and to provide more flexibility for unavoidable future commitments. The Civil Parking Enforcement position reflects an in-year surplus of £5.371 million compared to the budgeted surplus of £5.696 million, reflecting income below target. The Cardiff Harbour Authority is projecting a balanced position with increased cost pressures for dredging and barrage maintenance offset by other managed underspends. Within this position, the Asset Renewal budget is anticipated to be fully spent in line with the revised work schedule.

## **Capital**

25. The Council on 3<sup>rd</sup> March 2022 approved a new Capital Programme of £230.926 million for 2022/23 and an indicative programme to 2026/27. The budget for the General Fund and Public Housing has since been adjusted to £298.142 million to include actual slippage reported at outturn, incorporation of new grant approvals and confirmation of actual grant awards.
26. The sections below indicate a forecast position for 2022/23 for the General Fund and Public Housing.

### General Fund

27. The projected outturn for the year is currently £148.053 million against a total programme of £223.532 million with a variance of £75.479 million, which is predominantly slippage. Expenditure at the end of Month 6 was £57.238 million which represents circa 38% of the projected outturn, however there are several large expenditure items which are anticipated to progress during the latter part of the year.

### Capital Schemes Update

28. Delivery of capital projects is complex, they may span a number of years and are influenced by a number of external and internal factors such as weather,

statutory and non-statutory approval processes. Directorates continue to be reminded of the need to set achievable profiles of expenditure and to identify slippage at an early stage.

29. The Council's capital investment programme plays an essential role in both stimulating the local economy and delivering local services during the post Covid-19 recovery period. Whilst contractors have adapted to work restrictions, construction cost inflation is significant resulting from increased tender activity, material availability, labour shortages. This represents a delivery and affordability risk to projects to remain within estimated budgets following the outcome of tenders. This may require re-prioritisation of schemes to be undertaken including changes in specification where this allows the same outcomes to be met.
30. It remains important that directorates continue to allocate sufficient capacity and resource to ensuring projects progress in line with the timescales intended and robust business cases continue to be essential with a focus on approved schemes within the existing capital investment programme.
31. At the end of 2021/22, there were a number of late external grant funding sources made available for aligned Welsh Government outcomes. This is a common theme and, whilst positive, the timescales and confirmation of terms and conditions may mean late changes in programme and projections.
32. The impact on the capital programme of relevant proposals agreed will be updated in the next monitoring report. Utilising grants bid for and awarded in approved timescales is a risk to be managed by directorates in the remainder of the year. Consideration of the switching of Council resources and early discussion with grant funding bodies should be undertaken to ensure that approved grants can be used in full.
33. Further detail on progress against significant capital schemes included in the programme is included in Appendices 4 and 5 to this report.

#### Capital Receipts

34. The Capital Programme approved by Council in February 2018 set a target for non-earmarked General Fund Capital receipts of £40 million, with a subsequent increase of £1 million to this target in 2019/20, after making a deduction for eligible revenue costs of disposal. Up to 31 March 2022, a total of £10.060 million has been received against the overall receipts target.
35. The current forecast of income towards the target whether by external disposal or approved land appropriations to the Housing Revenue Account (HRA) during 2022/23 is £5.5 million as set out in the Annual Property Plan 2022/23. Receipts to date are £2.5 million in relation to the Council's freehold interest of land in St Mellons approved by Cabinet in January 2022. Where sites are to be appropriated to the HRA, this needs to be within the approved budget framework for the HRA and based on an agreed independent valuation and housing viability assessment. In respect of Earmarked Receipts, a deposit has been received for the disposal of Merchant House/Cory's buildings.

36. The Capital investment programme also includes several major development projects which assume that capital receipts are earmarked to pay towards initial expenditure incurred on those projects. Examples include the development strategy at the International Sports Village, Arena contribution and commitments agreed as part of proposals in respect to East Cardiff/Llanrumney Development. Expenditure incurred in advance of realisation of receipts represents a significant risk of both abortive costs and to the level of borrowing and should be incurred on certainty of receipts and an approved business case.

#### Public Housing (Housing Revenue Account)

37. The Programme for the Housing Revenue Account (HRA) is £74.610 million, and expenditure of £76.150 million is forecast, requiring budget of £1.540 million to be brought forward, primarily because of accelerated spend on the re-cladding of Lydstep Flats. Expenditure at the end of Month 6 was £35.849 million which represents circa 47% of the projected outturn.
38. Against an original allocation of £2.650 million, a total of £2.700 million is due to be spent on estate regeneration, tackling issues of community safety, defensible space, waste storage and courtyard improvements to blocks of flats. Expenditure is dependent on progress on site and receipt of acceptable tenders on schemes such as Trowbridge Green.
39. Expenditure on building improvements is projected to be £26.975 million for the year, against a budget of £19.150 million. The variance is in large part due to the Lydstep Flats re-cladding scheme, which is now progressing faster than anticipated, meaning residents will experience minimal disruption. Following completion of development work, Cabinet will shortly consider the implementation and procurement approach to further sites for over cladding. Other improvements including roofing and central heating upgrades are progressing at good pace, contributing to the increased spend this financial year.
40. Total expenditure on adaptations for disabled residents of HRA properties for the year is forecast at £2.700 million, with slippage of £300,000 into 2023/24.
41. Expenditure on the development of new housing over several sites during the year is currently projected to total £43.775 million, against an allocation of £49.810 million. In respect of Cardiff Living, only one scheme remains in progress for phase one, the PassivHaus scheme at Highfields which is expected to complete in the autumn of 2022, with phase two and three schemes in progress. The early-stage master-planning is well underway on the proposed older person/wellbeing village on the former Michaelston College site which will deliver in the region of 250 new homes and a wide range of public buildings providing a range of facilities for the local community with a focus on older people and health and well-being. Work is well underway for the low-carbon scheme on the former Rumney High school site and on the former Howardian school site in Penylan, with all private houses released for sale on Howardian phase 1 having sold off-plan.
42. Progress on other development projects outside of Cardiff Living include a start on site for the St. Mellons and Maelfa older person community living buildings.

However, progress on these sites is currently stalled as a result of the appointed contractor falling into administration. Alternative options to ensure the sites are re-started and completed at pace are being considered in parallel with legal requirements. Planning permission has been granted for the Channel View masterplan, Riverside/Canton Community Centre and the proposed development of Waungron Road, Llandaff. The former Iorwerth Jones site, Lansdowne hospital site and Canton Community Centre Site are expected to be well in progress by the end of the year, albeit some projects are delayed compared to initial expectations.

43. Cabinet considered a report in July 2022 for a scheme to meet urgent housing need and meanwhile use of the Gas Works site in Grangetown, prior to its permanent redevelopment. In advance of entering into a construction contract, a letter of intent has been approved by delegation to avoid delay and secure modular home supplies and services. With a revised and increased cost estimate of £37 million since the Cabinet Report, the costs of the scheme are to be updated further prior to entering into a full contract. Whilst Welsh Government grant has been approved in principle, formal confirmation is awaited, with all external grants expected to meet at least 50% of the initial estimated cost and the balance assumed from Council borrowing. The expenditure projection for 2022/23 initially assumes £13 million of expenditure in the year.
44. The construction market continues to face the impact of supply shortages, financial difficulties and rising material prices, resulting in increases in costs for developments and challenges finding suitable suppliers. There are also significant pressures and demand for affordable housing as considered by Cabinet in the July report. Cabinet will also consider options for a new Housing Partnership to mitigate some of these risks and to speed up development of future sites.
45. The costs of acquiring existing properties and buy backs for HRA housing stock as well as the cost of implementing the meanwhile use temporary housing for the Gas Works site have been managed within the overall housing programme. Given cost increases across other planned sites, external grant funding sources are being actively pursued to make developments viable and to ensure commitments funded by borrowing in the HRA remain affordable and sustainable given wider revenue budget pressures as a result of inflation impacts. Grant awards and agreed changes in terms and conditions to allow flexible use of funding to meet emerging priorities will be updated as part of future monitoring reports and in the update of the 2023/24 HRA Business Plan and Medium-Term Financial Plan.

### **Scrutiny Consideration**

46. The Policy Review and Performance Scrutiny Committee is due to consider this item on 15 November 2022. Any comments received will be circulated at the Cabinet meeting.

## **Reasons for Recommendations**

47. To consider the report and the actions therein that form part of the Council's financial monitoring process for 2022/23.

## **Legal Implications**

48. The report is submitted for information as part of the Authority's financial monitoring process. The Council's Constitution provides that it is a Council responsibility to set the budget and policy framework and to approve any changes thereto or departures there from. It is a Cabinet responsibility to receive financial forecasts, including the medium-term financial strategy and the monitoring of financial information and indicators.

## **HR Implications**

49. There are no HR imps that arise directly from this report. However, the HR implications that were set out in the Budget 2023/24: Update Report of 20<sup>th</sup> October 2022 continue to apply to any in year savings that may be required.

## **Property Implications**

50. There are no further specific property implications in respect of the Budget Monitoring Month 6 2022/23 Report. During the second quarter, the Strategic Estates Department continued to assist where necessary in delivering mitigation strategies as part of the organisation's COVID recovery and support delivery in relevant areas such as the Capital Programme, the Capital Investment Programme and Major Development Projects.
51. The report highlights in-year financial pressures within Strategic Estates and the service area continues to work closely with Finance colleagues to identify in-year and future mitigations, as well as income generation opportunities, which can be put in place and pursued to alleviate the forecasted budget overspend. Where there are property transactions or valuations required to deliver any budget proposals, they will be done so in accordance with the Council's Asset Management process and in consultation with relevant service areas.

## **Financial Implications**

52. In summary, this report outlines a projected Council net overspend of £7.394 million at Month 6 of the 2022/23 financial year. The overspend has incorporated pay award implications which were not considered for the reported Month 4 position. If the pay award was not added to the position, the overspend from Month 4 to Month 6 would have reduced by £4.935 million.
53. The overspend of £7.394 million is after the offset of £2 million General Contingency. If an overspend at this level exists at the end of the financial year, it would be offset against the Council Fund Balance. Currently, the Council Fund Balance is £14.255 million and would reduce to £6.861 million in such a circumstance but this level would be considered unsustainable. However, between Month 6 and the financial year end, every effort will continue to be made to reduce the overspend to a balanced position or to identify other sources

of funding such as earmarked reserves which will provide some form of financial resilience. In addition, £3.537 million of the £10 million Covid Recovery budget has been retained in the event of any further financial pressures appearing. This position will be reviewed and updated in later monitoring reports.

54. Because of this risk, it remains important that directorates retain a focus on their financial positions and ensure that tight financial controls are in place over the remainder of this financial year, that overspends do not worsen and, if possible, are further reduced by year-end. This will require a continual review of Council-wide issues and regular monitoring of the Council's balance sheet, including the debtors' position and levels of earmarked reserves.
55. In relation to the 2022/23 Capital Programme, a variance of £75.479 million is currently projected against the General Fund element, predominantly in relation to slippage against schemes. In terms of the Public Housing programme, whilst some projects are spending in advance of expectations such as Lydstep Flats, delays in planned new build housing sites are offset by approvals by Cabinet for short term meanwhile use to meet housing demand. Overall, funding from later years of £1.540 million is assumed to be brought forward.
56. Historically, this report has highlighted the issue of slippage and the economic impact of rising material process and contractor availability is contributing to potentially higher rates of slippage than have been experienced before. The increase in material prices could potentially reduce the amount of work being undertaken in asset renewal budgets in individual years to ensure capital budgets remain viable over the five-year programme. There are large expenditure items planned for the last quarter of the year and it is critical that directorates ensure that the necessary progress is made against schemes. Due diligence needs to be maintained to ensure that the delay of schemes that rely on external funding does not result in the lost opportunity of accessing those funds due to tight terms and conditions dictating any timelines that must be met.
57. For capital expenditure, effective contract management will be required, with a particular focus on the prevailing economic climate causing delays or increased costs. Should such issues continue to emerge during the remaining months of the year it will be necessary for these to be escalated as a matter of priority so that the overall impact on the programme can be assessed and any required actions taken. Such risks also need to be monitored in relation to any commitments which would continue to increase the Council's borrowing requirement and the generation of capital receipts which underpin the overall affordability of the programme.

## **RECOMMENDATIONS**

The Cabinet is recommended to:

1. Note the projected revenue financial outturn based on the projected position at Month 6 2022/23.
2. Note the capital spend and projected position at Month 6 2022/23.

<b>SENIOR RESPONSIBLE OFFICER</b>	<b>CHRISTOPHER LEE</b> Corporate Director Resources
	<i>11 November 2022</i>

*The following Appendices are attached:*

- Appendix 1 – Revenue Position
- Appendix 2 – Directorate Commentaries
- Appendix 3 – 2022/23 Budget Savings Position
- Appendix 4 – Capital Programme Summary
- Appendix 5 - General Fund Capital Schemes Update



## Appendix 1

**REVENUE MONITORING POSITION 2022/2023**

Directorate	CASH LIMIT BUDGETS			PROJECTED OUTTURN			VARIANCES		
	Expenditure	Income	Net	Expenditure	Income	Net	Expenditure	Income	Net
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Corporate Management	37,598	(101)	37,497	31,968	(895)	31,073	(5,630)	(794)	(6,424)
Economic Development	48,300	(38,417)	9,883	48,445	(35,944)	12,501	145	2,473	2,618
- Recycling & Neighbourhood Services	47,818	(11,173)	36,645	50,936	(12,933)	38,003	3,118	(1,760)	1,358
Education & Lifelong Learning	368,916	(58,400)	310,516	382,849	(66,109)	316,740	13,933	(7,709)	6,224
People & Communities									
- Communities & Housing	260,587	(211,670)	48,917	261,110	(212,957)	48,153		(1,287)	(764)
- Performance & Partnerships	9,020	(5,611)	3,409	9,598	(6,317)	3,281	578	(706)	(128)
- Social Services - Children's Services	90,804	(9,720)	81,084	105,223	(15,837)	89,386	14,419	(6,117)	8,302
- Social Services - Adult Services	164,340	(30,960)	133,380	164,014	(31,129)	132,885	(326)	(169)	(495)
Planning, Transport & Environment	57,759	(49,863)	7,896	58,737	(50,617)	8,120	978	(754)	224
Resources									
- Governance & Legal Services	8,280	(1,331)	6,949	9,127	(1,639)	7,488	847	(308)	539
- Resources	32,561	(15,374)	17,187	33,890	(16,719)	17,171	1,329	(1,345)	(16)
Capital Financing etc.	40,331	(6,022)	34,309	39,131	(6,522)	32,609	(1,200)	(500)	(1,700)
General Contingency	2,000	0	2,000			0	(2,000)	0	(2,000)
Summary Revenue Account	13,637	0	13,637	13,766		13,766	129	0	129
Discretionary Rate Relief	400	0	400	410		410	10	0	10
<b>Sub-Total</b>	<b>1,182,351</b>	<b>(438,642)</b>	<b>743,709</b>	<b>1,209,204</b>	<b>(457,618)</b>	<b>751,586</b>	<b>26,853</b>	<b>(18,976)</b>	<b>7,877</b>
Council Tax Collection	0	0	0	0	(483)	(483)	0	(483)	(483)
<b>Total</b>	<b>1,182,351</b>	<b>(438,642)</b>	<b>743,709</b>	<b>1,209,204</b>	<b>(458,101)</b>	<b>751,103</b>	<b>26,853</b>	<b>(19,459)</b>	<b>7,394</b>

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## **Appendix 2 – Directorate Commentaries Month 6 2022/23**

### **Corporate Management (£6.424 million)**

1. The Corporate Management position brings in £6.463 million of the Covid-19 contingency budget to offset pressures included in the monitoring positions of other directorates, where these are linked to the cost-of-living crisis or the prolonged impact of the Covid-19 pandemic on additional costs and income loss. The position maintains £3.537 million of the Covid-19 budget in recognition of the risk of further emerging pressures, as the impact of the cost-of-living crisis continues to evolve. Setting the Covid-19 contingency budget aside, the position on Corporate Management has increased by £50,000 since month 4, linked to the recent notification of additional coroner contribution costs for 2022/23.

### **Economic Development +£2.618 million**

2. The Economic Development directorate is forecasting a net £2.618 million overspend. This includes pay award funding of £783,000 towards full costs estimated at £1.595 million.
3. The month 6 forecast exclusive of the pay award is an overspend of £1.806 million; an improvement of £1.054 million which includes additional in-year savings of £420,000.
4. Culture, Venues and Events functions report a potential deficit of £1.752 million. This is made up largely of income shortfalls at Cardiff Castle (£967,000), City Hall Functions (£352,000), Functions Catering (£335,000) and St David's Hall (£110,000). Despite the ending of Covid restrictions, customer numbers and business confidence have not returned to pre-pandemic levels with rising inflation impacting on consumer spending. Larger functions bookings that have a longer lead in time have not all rematerialised, plus university exams are being held within house, instead of using City Hall as before.
5. Property Services report an overspend of £529,000; an improvement of £77,000 compared to Month 4. This includes a £105,000 shortfall in disposal fees, a £103,000 shortfall within investment and non-operational estate income (including a £72,000 reduction in St David's 2 rental income) of £503,000. partially offset by underspends in employees and staffing recharges above target.
6. Sport, Leisure & Development is reporting a potential £141,000 overspend (an improvement of £131,000 since month 4). The largest factors remain income shortfalls at CIWW, in some part due to the closure of the Flowrider on building safety issues, and at the Channel View centre. These variances are partly offset by a £50,000 underspend in relation to the policy growth item for Youth Sport Inclusion officers (albeit now being delivered via Cardiff Met). In addition, income above target of £45,000 is reported for landscape design and at the Motocross site with savings at the now closed Canton Community Centre amounting to £39,000.

7. Within Major Projects, a £187,000 overspend is linked to the expiry in October of the NHS lease at the Toys R Us site, after which the Council will be responsible for 2022/23 holding costs of £117,000 (NNDR rates, security etc).
8. In addition, the position includes circa £70,000 of unbudgeted expenditure relating to funding of a project manager post and internal support recharges.
9. Facilities Management is reporting a substantial improvement compared to Month 4, reflecting the outcome of two comprehensive reviews. An assessment of existing and future contract values managed by Building Services are now estimated to yield a trading surplus of over £1 million which could increase depending on the delivery and completion of schemes. Offsetting this, energy costs are now forecasting an overspend of £826,000, an increase of £475,000.
10. All other divisions within Economic Development are projecting balanced or underspend positions for 2022/23.
11. The original 2022-23 savings target for Economic Development was £498,000. There is mixed progress to date with £388,000 considered achievable. Targeted savings of £110,000 are currently projected to be unachievable in 2022/23. These are linked to a reduction in agency and employee costs at Cardiff Castle (£30,000), whilst only £30,000 of the targeted £110,000 increase in Estates income is currently projected.
12. With regard to the additional in year savings proposals put forward by the directorate £420k are projected as achievable, with £17k of the Workshops increased income target now considered unachievable due to changes in tenancies.
13. A full spend of £550,000 is currently forecast against two FRM items in 2022/23, whilst all policy growth proposals (£737,000) are progressing well, with £452,000 either linked to plans in place or anticipated to be in place imminently. A partial underspend of £292,000 in 2022/23 is largely due to delays in staff recruitment.

### **Recycling & Neighbourhood Services +£1.358 million**

14. This service is forecasting a net £1.358 million overspend. This includes pay award funding of £621,000 towards full costs estimated at £1.312 million.
15. The month 6 forecast exclusive of the pay award is an overspend of £667,000; a net deterioration in the position of £278,000 compared to month 4. This reflects a significant reduction in the forecast for income from the sale of recyclates, partly mitigated by a reduction in waste processing costs.
16. The position also includes additional in-year savings of £318,000 which the Directorate were asked to identify as part of the wider pressures on the Council's budget.

17. There are currently no assumptions within the position regarding recourse to the Waste Reserve or the use of the contingency provision for fluctuations in volumes and material type.
18. The Policy Growth and FRM allocations to fund various waste and cleansing initiatives will be fully spent.
19. The Service is projected to achieve the full £262,000 budgeted savings for 2022/23.
20. Significant pressures are evident in Collections with a further overspend in Environment Enforcement.
21. There are substantial underspends in Waste Disposal and Recycling Treatment with further savings in Waste Strategy, Management and Support and Street Cleansing. A balanced position is forecast in Trade Waste.
22. The Collections overspend is £1,608,000. This reflects several factors including higher staff costs caused by greater levels of sickness and overtime and increased vehicle costs, in particular the inflationary impact of fuel. In addition, there are further costs associated with the evolving and proposed expansion of the segregated recycling trial and increased costs of hiring diesel generators for the electric RCV's while the charging infrastructure is set-up- delays have led to an increase of £68,000 over the estimate.
23. The overspend in Environmental Enforcement is £101,000 caused by a short-term extension to temporary staff contracts until a proposed restructure is introduced.
24. Waste Disposal is forecasting an underspend of £534,000 reflecting lower processing costs because of reduced volumes of residual waste.
25. Recycling Treatment is reporting an underspend of £264,000 reflecting an increase in the market price received from the sale of recyclable material and improved quality of material following improvements made at the Recycling Centres. The market is very open to price volatility and there is evidence of a significant downturn emerging particularly in the plastics and paper markets. This is having a detrimental impact on expected income levels which could worsen during the year and beyond. The current projection is based on existing income levels and likely scenarios for the remainder of the year.
26. There is a further underspend of £136,000 in Waste Strategy and £66,000 in Management & Support due to the holding of vacant posts and an uncommitted project budget. In addition, Street Cleansing is reporting an underspend of £42,000 reflecting increased income.

## **Education & Lifelong Learning +£6.224 million**

27. The month six position for the Education & Lifelong Learning directorate reflects an overspend of £6.224 million. This includes funding of £481,000 for the potential pay award (inclusive of £200,000 from the Catering earmarked reserve). The full cost of the pay award is currently estimated at £1.117 million, excluding grant funded and non-central posts.
28. The position exclusive of the pay award is an overspend of £5.588 million; a deterioration of £164,000 compared to the month 4 forecast and inclusive of £273,000 additional identified in year savings.
29. Schools Transport is projecting an overspend of £2.593 million reflecting the full year effect of 2021/22 new routes and price increases, along with anticipated increases in ALN routes in 2022/23, and the extraordinary contractor price increases expected to be applied in response to the recent fuel price increases. This position includes use of ALN covid grant (£484,000) and 2021/22 WLGA grant funding (£594,000).
30. Out of Area Placements are forecasting an overspend of £1.113 million due to an increase in provision required from 245 to 289 pupils in year, this position includes use of £848,000 ALN grant.
31. Services to Schools includes an overspend of £1.448 million on Schools Catering Services due to price increases relating to food and transport costs as well as reduced income from paid school meals.
32. The Music Service is projected to be overspent by £95,000 due to salary costs exceeding billable income. This position includes full utilisation of £1.6 million of grant funding.

## **Planning, Transport & Environment +£224,000**

33. Planning, Transport and Environment report an overspend of £224,000. This includes pay award funding of £494,000 towards a full cost estimated at £821,000.
34. The Month 6 position exclusive of the pay award is an underspend of £103,000. This is an improvement of £533,000 compared to Month 4 following the inclusion of £537,000 in-year savings which, the Directorate were asked to identify in response to the wider Council financial pressures.
35. The Policy Growth and FRM allocations to assist with the delivery of One Planet Cardiff, to fund infrastructure and community improvements and the funding for Taxi Grants are projected to be fully spent at this time.
36. The position includes the impact of inflation on energy and fuel estimated at £275,000.

37. Highway Infrastructure is forecasting an overspend of £193,000 reflecting inflationary increases for electricity and fuel plus a funding shortfall for the Winter Maintenance programme. The benefits from the installation of LED street lighting and additional commuted sums funding have helped to partly mitigate the pressures.
38. An anticipated shortfall in planning fees, partly offset by additional property search fees is forecast to result in an overspend of £229,000.
39. Transport is forecasting an overspend of £9,000 reflecting the additional cost of providing Hostile Vehicle Mitigation measures and an income shortfall in Street Work activities. These have been largely offset by a saving following the cessation of the Parking Sensors contract.
40. Energy Management are forecasting a surplus of £422,000 reflecting a significant increase in income generated by the Lamby Way Solar Farm which is offsetting the continued lower performance at the Radyr Weir Hydro facility.
41. Bereavement, Registration & Dogs Home are reporting a surplus of £47,000 reflecting an increase in Registration income.
42. Further savings of £65,000 are forecast in Management and Support Services through in-year and retention of vacant posts.

#### **Performance & Partnerships (£128,000)**

43. Performance and Partnerships is projecting an underspend of £128,000. This includes funding of £90,000 for the pay award towards an estimated full cost of £226,000.
44. The position exclusive of the pay award is an underspend of £264,000 which incorporates £105,000 additional in year savings and is an improvement of £183,000 compared to the reported month 4 position.
45. The underlying underspend within Performance and Partnerships relates to a level of in-year vacancies linked to the timing of a restructure, together with the over-achievement of income targets in areas such as the Cardiff Research Centre and Bilingual Cardiff.

#### **Housing & Communities (£764,000)**

46. The Housing & Communities directorate is reporting an underspend of £764,000. This position includes pay award funding of £497,000 towards the full costs currently estimated at £843,000.
47. The month 6 forecast exclusive of the pay award is an underspend of £1.110 million; an improvement of £793,000 on the position reported at month 4 and which includes in year savings of £542,000.

48. The position comprises overspends totalling £286,000 across Business Performance and Support (£210,000, Housing Strategy and Service Development (£54,000) and Hubs & Community Services (£22,000). These variances are offset by underspends totalling £1.396 million across all other areas of the service.
49. The Business Performance and Support overspend of £210,000 relates mainly to PPE distribution costs across the authority which are currently under review.
50. The £54,000 overspend within Housing Strategy and Service Development relates to earlier delays in a planned restructure which has now been completed.
51. A Hubs and Community services net overspend of £22,000 is linked to overspends of £209,000 within Day centres due to an unachieved vacancy provision now centres have fully reopened, additional CCTV costs due to break-ins and vandalism and additional vehicle costs. These are partly offset by in year savings of £187,000 across Hubs and Day Opportunities and Learning for Life relating to staff recharges and employee savings.
52. Within Advice and Benefits, an underspend of £776,000 is reported which includes £215,000 in-year savings identified by the service area. The position also includes an underspend of £259,000 within Into Work Services following the award of the Young Persons Gateway grant as FRM funding allocated to support the original grant fallout is no longer required. The remaining £302,000 underspend relates mainly to net administration income from various cost of living support schemes, including the extended Free School Meal Holiday scheme and minor employee savings.
53. Homelessness and Hostels are reporting an underspend of £98,000 as a result of additional grant funding and a planned restructure at the gypsy & traveller sites and security savings at the Housing Options centre.
54. Within Neighbourhood Regeneration, an underspend of £184,000 is reported following delays to the planned restructure which is currently assumed to be in place by 1<sup>st</sup> October. This position includes a further in year saving of £37,000.
55. Housing Projects are reporting an underspend of £240,000 owing to delays in the planned restructure which is also expected to be in place by 1<sup>st</sup> October. This position includes a further in year saving of £64,000.
56. Early Help and Partnership and Delivery are both reporting underspends of £73,000 and £25,000 respectively as a result of the maximisation of available grant income realising additional in year savings.

#### **Adult Services (£495,000)**

57. Adult Services is projecting an underspend of £495,000 at Month 6. This includes pay award funding of £892,000 towards the full costs which are estimated at £1.538 million.



58. The position exclusive of the pay award is an underspend of £1.141 million; an improvement of £1.017 million and which incorporates £915,000 additional in year savings.
59. An overspend of £235,000 on commissioned care is offset by a £1.376 million underspend on Internal Services.
60. The position on commissioned care comprises overspends in Older People (£129,000), Mental Health (£226,000) Substance Misuse (£280,000) and Physical Disabilities (£132,000). These are partially offset by a projected £532,000 underspend on Learning Disabilities. The largest contributory factors to the position on Older Peoples' Services are overspends on respite and domiciliary care. Respite costs are difficult to predict, and the position will be kept under review as the year progresses.
61. The overspend on domiciliary care is a combination of additional care costs and lower than budgeted income. Increased numbers of residential and nursing placements are the main factor in Substance Misuse, Physical Disabilities and Mental Health overspends, with the partial achievement of in-year savings a further factor in relation to the latter.
62. The £1.376 million underspend on Internal Services is a combination of Assessment and Care Management (£535,000), Reablement and Independent Living (£423,000) and Support & Performance Management (£581,000). These variances are partially offset by a net £163,000 overspend in Internal Learning Disability Services, largely attributable to the delayed implementation of a 2021/22 saving proposal. The underspends in all other areas of Internal Services reflect a level of vacancies, grant maximisation and the fact that funds allocated to support the restructure will only be partly used in the current year.

### **Children's Services +£8.302 million**

63. Children's Services is currently projecting an £8.302 million overspend. This includes pay award funding of £827,000 towards full costs estimated at £1.552 million.
64. The position exclusive of the pay award is an overspend of £7.577 million; an improvement of £1.373 million compared to the month 4 report.
65. The majority of this overspend (£5.980 million) relates to residential placements, which includes a net savings target of £2.643 million. Currently there are 105 ongoing external residential placements, a reduction of 5 since the month 4 monitoring report. Work continues to step down placements where appropriate, but additional demand has resulted in placement numbers remaining high.
66. The external fostering budget is reporting a £1.050 million underspend. The number of current external fostering placements has reduced since month 4,

and the increase in projected outturn is due to fee uplifts and costlier new placements.

67. Children's Services are required to commission additional bespoke placements and support packages due to the complexity of needs and a shortage of spaces available in the residential market. These costly arrangements are included in the position as a further overspend within the directorate to the sum of £4.898 million; an increase of £814,000 since month 4. During the financial year, there have been 46 of these placements to date, of which 20 are currently active cases. Of the active cases, 9 have been commissioned since month 4 at a projected outturn of £0.599 million. These projections are based on current numbers and costs assumed for the remainder of the year unless step down is guaranteed. This area is monitored closely on a case-by-case basis and prioritised for step down when appropriate.
68. The position at Month 6 assumes the use of £1.280 million of Children's Services contingency budget to offset the cost differential of agency staff compared to permanent establishment staff, which are required due to ongoing difficulties in recruiting permanent staff members. A further £2.5million drawdown from reserves is assumed to fund agency staff, which are required due to continued pressures on the services deriving from the pandemic. Several external grants bids have been made and, if successful, related awards will be brought into the monitoring position as funding is confirmed.

### **Governance & Legal Services +£539,000**

69. Governance and Legal Services report an overspend of £539,000. This includes pay award funding of £147,000 towards full costs estimated at £219,000.
70. The position exclusive of the pay award is an overspend of £467,000; a £67,000 deterioration compared to the Month 4 report. An increased overspend in Legal Services (now £521,000) is primarily due to unbudgeted locum solicitor costs of £417,000 and unachieved external income targets. This is offset by an underspend within Democratic Services due to the holding of vacant posts.

### **Resources (£16,000)**

71. The Resources month 6 position indicates an underspend of £16,000. This includes pay award funding of £912,000 towards full costs estimated at £1.482 million.
72. The forecast exclusive of the pay award impact is an underspend of £586,000 which incorporates £213,000 of additional in-year savings and is an improvement of £381,000 when compared to Month 4.
73. Underspends are anticipated against Finance (£286,000), HR (£328,000) and Commissioning and Procurement (£5,000), primarily due to holding vacant posts for the remainder of the financial year.

74. The Chief Digital Officer is reporting a much reduced overspend position of £33,000 (£145,000 at Month 4) again through savings associated with vacant posts along with a reduction in forecast spend on ICT.

### Cardiff Harbour Authority - Balanced

75. For the current year, the Council worked with the Welsh Government to identify budget pressures around increases in material costs, contractor and energy prices as well as historical shortfalls in service level agreement budgets. In addition, work has been carried out to identify future obsolescence and compatibility issues with existing systems and equipment requiring upgrades or replacement.
76. These budget pressures are partly offset by savings due to achievable efficiencies against the approved Fixed Costs budget of £5.374 million. The Asset Renewal funding requirement for non-critical assets is £430,000, plus £117,000 from the ten-year asset management programme to replace any critical assets. This gives an overall budget for the Cardiff Harbour Authority (CHA) of £5.921 million, which is an increase of 2.6% on the final award total for the 2021/22 financial year.
77. The forecast at the end of quarter one indicates a funding requirement of £5.921 million, representing a full spend of budget.

Cardiff Harbour Authority	Budget £'000	Outturn £'000	Variance £'000
Expenditure	6,332	6,369	(37)
Income	958	995	37
<b>Fixed Costs</b>	<b>5,374</b>	<b>5,374</b>	<b>0</b>
Asset Renewal	547	547	0
<b>Total</b>	<b>5,921</b>	<b>5,921</b>	<b>0</b>

78. The position includes increased costs on dredging and barrage maintenance, largely due to further significant cost price pressure on contractor supplies and works, offset by reduced expenditure on facilities management, community liaison and environmental areas.
79. The estimated additional impact of the proposed 2022/23 pay award, above the 3% budgeted amount, is anticipated to be accommodated within other underspends, although this will be subject to review once actual costs are known.
80. Increased income against target is forecast on car parking. This forecast will be updated as more information becomes available over the coming periods.

81. The Asset Renewal budget is currently indicating a full spend in line with the revised approved schedule of work, including boardwalk replacement scheme and barrage Scada ABB control system upgrade.
82. The CHA maintains a Project and Contingency Fund, which is used to support projects and provides a contingency for situations where the approved budget is exceeded. The Fund receives contributions from a combination of receipts from the sale and disposal of land and a share of past year underspends on the Fixed Cost budget. The balance at 31 March 2022 was £104,000 and this is in line with the amendments to the Deed of Variation as agreed in March 2021.

### Civil Parking Enforcement +£325,000

83. Civil Parking Enforcement (CPE) manages parking, parking enforcement and moving traffic offences throughout the city. The income from these activities is used to support the operational costs with the surplus being transferred to the Parking and Enforcement Reserve.
84. The budget was set using various assumptions and scenarios. The table below provides a summary of the budget and projected outturn position.

Civil Parking Enforcement	Budget £'000	Outturn £'000	Variance £'000
<b>Income</b>			
On street car parking fees	4,839	3,970	869
Off street car parking fees	1,092	1,066	26
Resident's parking permits	473	470	3
Penalty charge notices	1,933	2,289	(356)
Moving Traffic Offences (MTO's)	4,050	4,200	(150)
Other Income	48	66	(18)
<b>Total Income</b>	<b>12,435</b>	<b>12,061</b>	<b>374</b>
<b>Expenditure</b>			
Operational costs, parking & permits	597	619	22
Enforcement service including TRO	6,142	6,071	(71)
<b>Total Expenditure</b>	<b>6,739</b>	<b>6,690</b>	<b>(49)</b>
<b>Annual Surplus / (Deficit)</b>	<b>5,696</b>	<b>5,371</b>	<b>325</b>

85. The current projection indicates an annual trading surplus of £5.371 million. This is £325,000 lower than the budget reflecting lower income from car parking fees, partly offset by reduced operating costs.
86. Income is forecast at £12.061 million which is £374,000 lower than budgeted. Reduced activity partly caused by road closures to facilitate city centre events and delays in project implementation will result in lower car parking fees

although there is an anticipated increase in the income generated from PCN's and MTO's.

87. The lower expenditure of £49,000 reflects a reduction in loan repayments for invest to save schemes following full repayment in the previous financial year. The position also reflects the assumed cost of the 2022/23 staff pay award.
88. The surplus of £5.371 million is transferred to the Parking and Enforcement Reserve and available to support highway, transport and environmental improvements.
89. The table below illustrates the forecast position in the reserve:

<b>Parking &amp; Enforcement Reserve</b>	<b>£'000</b>
<b>Balance 1<sup>st</sup> April 2021</b>	<b>1,985</b>
Contribution from CPE	5,371
<b>Total Available</b>	<b>7,356</b>
Contribution to support revenue budget	(5,935)
Approved project support and initiatives	(581)
Additional support	(183)
<b>Balance 31<sup>st</sup> March 2023</b>	<b>657</b>

90. The brought forward balance in the reserve is £1.985 million. The CPE forecast indicates a surplus of £5.371 million. The contribution to the revenue budget to fund infrastructure maintenance and improvements is £5.935 million.
91. A further £581,000 will support various initiatives such as Active Travel and LDP transport monitoring approved in the budget plus an additional £183,000 towards match-funding for bollard removal scheme in St. Mary Street and Womanby Street and a provision for various transport scoping works such as the Metro. The year-end balance is forecast at £657,000.

### **Housing Revenue Account (£656,000)**

92. The Housing Revenue Account (HRA) is projecting a potential surplus of £656,000, with underspends on housing repairs, capital financing costs and vacancy savings partly offset by inflationary pressures and other increased costs.
93. This position now includes the indicative impact of the proposed 2022/23 employee pay award, currently estimated at £1.1 million. The full impact of the award once agreed and implemented will be set out in future reports.
94. A major variance is in relation to premises costs overspends at the community hubs and hostels/other accommodation with forecasts for utility costs (estimated at £792,000 above budget) reflecting the current market and corporate purchasing arrangements.

95. An anticipated £688,000 underspend on capital financing costs is due to the impact on debt repayment and external interest charges of the 2021/22 reduced borrowing requirement.
96. Rent and service charge income is also assumed to be above target due to lower than forecast void rent loss.
97. Employee savings exclusive of the impact of the pay award across the functions are estimated at £473,000.
98. The Housing Repairs Account is now forecasting a £637,000 underspend. Contractor issues have resulted in an underspend estimated at £431,000 for external printing.
99. Electrical testing works are also forecasted to be underspent by £281,000 with the capitalisation of works here due to the extensive nature of the works required contributing to this position. Other variances include underspends on responsive repairs estimated at £273,000 and management and administration vacancy savings of £185,000. These underspends are partly offset by overspends on void property repairs estimated at £499,000 and disabled facilities grant works of £34,000.
100. Based on week 26 statistics, standard rent and service charge income are forecasted at £649,000 above target. This is mainly in relation to a lower than budgeted void rent loss, a reduced bad debt provision requirement and rental and service charge income above target.
101. Hostels and other accommodation income include a forecast above budget of £102,000. A Housing Support Grant shortfall of £185,000 is offset by additional and unbudgeted WG No-One Left Out grant funding.
102. The balance of the overall variance is mainly due to underspends on supplies and services.
103. The position currently assumes drawdowns from earmarked reserves in the region of £4.7 million to fund capital spend in year including a contribution towards the Lydstep Flats cladding scheme and the buybacks programme. This may change depending on the overall capital programme progress and availability of any grant funding.
104. There are a number of forecasts which are subject to change due to their nature and the number of variables. These will need to be reviewed in detail over the coming months.
105. The surplus is assumed at this stage to transfer to earmarked reserves as appropriate to further improve financial resilience and to offset future year' budget pressures.

Directorate Saving Proposals - 2022/23

Dir	Ref	Description	Efficiency Savings				Savings Progress			
			Employees	External/Other	Income	Total Proposed	Achieved £'000	Projected £'000	Unachieved £'000	NOTES
			£000	£000	£000	£000				
CMT	CMT E1	<b>Past Service Contributions</b> A review of past service contributions to pension funds in respect of ex-employees has identified savings of £49,000.	49	0	0	49	12	49	0	Current projections indicate the saving will be saved in full.
<b>Corporate Management Total</b>			<b>49</b>	<b>0</b>	<b>0</b>	<b>49</b>	<b>12</b>	<b>49</b>	<b>0</b>	
Economic Development	ECD E1	<b>Electricity efficiency saving</b> A 10% efficiency in electricity usage in County Hall and City Hall.	0	58	0	58	29	58	0	Quarter 1 indicates that the efficiency of usage target can be achieved compared to 2019/20.
	ECD E2	<b>Building Maintenance efficiency saving</b> Efficiency in building maintenance at County Hall and City Hall.	0	82	0	82	0	82	0	Not projected to be achieved as costs are substantially higher in the first quarter than in previous years. The situation will have to be closely monitored as the year progresses.
	ECD E3	<b>Cardiff Castle</b> A combination of reduced agency and employee spend.	30	0	0	30	0	0	30	Not projected to be achieved as Employee costs are greater in first quarter of 22/23 than 21/22
	ECD E4	<b>Shared Regulatory Services</b> A reduction in Cardiff's contribution to Shared Regulatory Service, linked to business administration arrangements.	0	86	0	86	29	86	0	Achieved through reduction in agreed payment to the SRS.
	ECD E5	<b>Culture, Venues and Events</b> Efficiencies across the division - printing, stationery etc.	0	5	0	5	2	5	0	Projected to be fully achieved
	ECD E6	<b>Staffing Efficiencies in Sports and Leisure</b> The reduction of 1 FTE through voluntary redundancy.	50	0	0	50	50	50	0	Saving achieved, post holder VS in October 2021
	ECD I1	<b>Increase in Income - Workshops</b> Review of income target in line with levels of income currently being achieved.	0	0	37	37	16	37	0	Projected to be fully achieved
	ECD I2	<b>Increase in Income - Property Estates</b> Planned increase in income through review of rent levels on lease renewal.	0	0	110	110	10	30	80	Partially achieved. New leases / rent reviews have been delayed.
	ECD I3	<b>Parks Management / Operations Restructure.</b> Expanding income generation activities alongside a staff restructure within management and operational staff to meet service demands.	(25)	0	45	20	10	20	0	Projected to be fully achieved
	ECD I4	<b>Increase in income - Outdoor Sport and Cardiff Riding School</b> Income budget increase in line with anticipated revenue from increase in fees and charges for 2022/23.	0	0	11	11	6	11	0	Projected to be fully achieved
	ECD I5	<b>Increase income - Landscape Design Service</b> Increase fee earning target for the Parks Design Function	0	0	9	9	5	9	0	Projected to be fully achieved
<b>Economic Development Total</b>			<b>55</b>	<b>231</b>	<b>212</b>	<b>498</b>	<b>157</b>	<b>388</b>	<b>110</b>	
Recycling & Neighbourhood Services	RNS E1	<b>Cleansing, Enforcement &amp; Strategy Redesign</b> A redesign of management structure with no associated impact on frontline services.	60	0	0	60	60	60	0	This saving has been achieved in full.
	RNS I1	<b>Realign Income Budgets</b> Income budget increase in line with increased activity at Bessemer Commercial Site and other services.	0	0	172	172	43	172	0	It is anticipated that these savings will be achieved in full.
	RNS I2	<b>Review of existing income targets - Cleansing</b> Income budget increase in line with increased activity from SWTRA and City Centre.	0	0	30	30	0	30	0	It is anticipated that these savings will be achieved in full.
<b>Recycling and Neighbourhood Services Total</b>			<b>60</b>	<b>0</b>	<b>202</b>	<b>262</b>	<b>103</b>	<b>262</b>	<b>0</b>	
Education	EDU E1	<b>Further reduction in number of private early years placed purchased</b> With fewer pupils expected to enter the primary phase it is anticipated that the need for additional places in private nursery settings will reduce, as numbers should be able to be accommodated within LA nursery capacity.	0	35	0	35	12	35	0	Private nursery settings have reduced with full savings projected for the year.
	EDU E2	<b>Continued vacancy management</b> Maintain current staffing commitment and not appoint to vacant posts.	30	0	0	30	11	30	0	Sufficient vacancies within the directorate to provide the savings target. Expected to be achieved.
	EDU E3	<b>SOP Programme</b> Maximise the opportunity to fund salary costs, where appropriate, through the SOP model rather than existing revenue budgets.	200	0	0	200	0	200	0	Currently under review but planned to be achieved in full through recharge of salaries to capital projects at yearend.
	EDUE4 I1	<b>Use of LA Annex funding from Central South Consortium</b> Increase income budget to reflect current levels of funding received from CSC.	0	0	45	45	0	45	0	Central South Consortium funding yet to be received but is expected in full.
<b>Education Total</b>			<b>230</b>	<b>35</b>	<b>45</b>	<b>310</b>	<b>23</b>	<b>310</b>	<b>0</b>	
Planning, Transport and Environment	PTE E1	<b>Street Lighting Energy Initiatives</b> Continuation of the implementation of the LED & dimming regime across entire Street Lighting network, which is resulting in decreased energy usage.	0	40	0	40	10	40	0	It is anticipated that these savings will be achieved in full.
	PTE E2	<b>Highways - Electrical Team</b> Reduced reliance on Street Lighting structural & electrical testing revenue budgets due to Capital investment in new infrastructure.	0	15	0	15	4	15	0	It is anticipated that these savings will be achieved in full.
	PTE E3	<b>Staffing Efficiencies across PTE</b> Deletion of posts that equate to 2.4 FTE reduction in the directorate.	41	0	0	41	41	41	0	This saving has been achieved in full.
	PTE I1	<b>PTE - General Fees &amp; charges</b> Additional income through increases to a number of fees & charges in respect of highways and transportation.	0	0	10	10	3	10	0	It is anticipated that these savings will be achieved in full.
	PTE I3	<b>Building Control- Supplemental charging for Property Searches</b> Additional income through recently introduced Land Search fees.	0	0	60	60	60	60	0	This saving has been achieved in full.
	PTE I4	<b>Road Safety Team</b> Improve recharging & full cost recovery to Grant funded schemes.	0	0	10	10	3	10	0	It is anticipated that these savings will be achieved in full.
	PTE I5	<b>Transport Policy - Review basis of recharging to Grant funded schemes</b> Improve recharging & full cost recovery to Grant funded schemes.	0	0	25	25	2	25	0	It is anticipated that these savings will be achieved in full.
<b>Planning, Transport and Environment Total</b>			<b>41</b>	<b>55</b>	<b>105</b>	<b>201</b>	<b>123</b>	<b>201</b>	<b>0</b>	
P&C - Performance and Partnerships	P+PI1	<b>Media &amp; Communications - Increased income</b> An increased income target for the design team in line with performance over 2019/20 & 2020/21.	0	0	30	30	10	30	0	It is anticipated that these savings will be achieved in full.
	P+PI2	<b>Cardiff Research Centre - Increased income</b> An increased income target for Cardiff Research Centre in line with performance in 2020/21.	0	0	20	20	0	20	0	It is anticipated that these savings will be achieved in full.
	P+PI3	<b>Bilingual Cardiff - Increase external income</b> Align budget in line with the external income currently being achieved.	0	0	25	25	7	25	0	It is anticipated that these savings will be achieved in full.
	P+PE1	<b>Policy &amp; Partnerships - Efficiency</b> A reduction in the policy initiatives budget and the deletion of a vacant post.	26	8	0	34	29	34	0	It is anticipated that these savings will be achieved in full.
<b>People and Communities - Performance and Partnerships Total</b>			<b>26</b>	<b>8</b>	<b>75</b>	<b>109</b>	<b>46</b>	<b>109</b>	<b>0</b>	
ities	HAC E1	<b>Review of Central Hub staffing linked to alignment of Advice Service</b> Alignment of advice services and a relocation of teams resulting in a reduction of staffing required at the Central Hub.	60	0	0	60	43	60	0	Associated posts were deleted and the full saving will be realised from 1.10.22 when employee leaves on voluntary severance.

People & Communities - Housing and Commu	HAC E2	<b>Universal Credit roll out - reduction in benefit administration</b> As Universal Credit continues to be rolled out the caseload of Housing Benefit continues to reduce, thus reducing the workload of assessors. The saving reflects the reduction of 4 FTE plus savings on overtime. The figure reflects some of the staffing savings being a part year only in 2022/23.	109	46	0	155	91	155	0	This saving has been achieved through turnover of staff and overtime budget is being managed and projected saving is due to be achieved.
	HAC E3	<b>Restructure of Strategy &amp; Housing Need management team</b> A proposed restructure resulting in the net reduction of 1 Grade 10 post and a reduction in hours. The saving is a part year figure, estimated to commence in July 2022.	39	0	0	39	20	39	0	This saving is projected to be achieved in full once the planned voluntary severance has taken place.
	HAC E4	<b>Digital Efficiencies - increase use of scan stations in Hubs and Hybrid Mail</b> To increase the use of scan stations in the Hubs and use of hybrid mail resulting in staffing efficiencies. The saving reflects a mini-restructure together with review of HRA contributions.	60	0	0	60	60	60	0	The planned restructure and voluntary severance has taken place and the saving has been realised in full
	HAC I1	<b>Realignment of Estate Management Costs</b> Reflecting appropriate HRA contributions to post funding.	0	0	68	68	68	68	0	The HRA contribution has been agreed and saving has been achieved in full
<b>People and Communities - Housing and Communities Total</b>			<b>268</b>	<b>46</b>	<b>68</b>	<b>382</b>	<b>282</b>	<b>382</b>	<b>0</b>	
People and Communities - Adults' Services	ADU E1	<b>Mental Health Services, increasing accommodation and support</b> The development of new housing projects to step people down from more expensive mental health provision options.	0	150	0	150	0	75	75	Part year savings expected in 2022/23 - reflects move-in times to the new housing project. The unachieved component is a delay and will be achieved in subsequent years.
	ADU E2	<b>Older Persons- use of extra care for reablement and respite</b> The use of recently commissioned respite /reablement space within Llys Enfyys as an alternative to care home provision.	0	57	0	57	0	0	57	This saving is not anticipated to be achieved in full at this time
	ADU E3	<b>Learning Disabilities, increasing accommodation and support</b> The development of new supported living arrangements to enable step down from more expensive options.	0	100	0	100	60	119	-19	A slight over-achievement of savings target is anticipated.
	ADU E4	<b>Mental Health - Increase use of Shared Lives /Adult Placements as an alternative to care home /supported living.</b> The potential to increase the availability of Adult Placements for those with Learning Disabilities, mental health and dementia.	0	27	0	27	10	10	17	This saving is not anticipated to be achieved in full at this time
	ADU E5	<b>Older Persons - Utilisation of Occupational Therapists / Investment in Review Arrangements</b> Strengthen the review process in Adult Services to include Occupational Therapist input, building on the approach taken in the Independent Living Service to review double handed care packages.	0	102	0	102	51	102	0	Working with directorate re: ongoing impact of package review.
	ADU I1	<b>Adult Mental Health - Health Contribution</b> Ensuring appropriate contributions from Health towards the cost of care packages.	0	0	125	125	30	125	0	It is anticipated that these savings will be achieved in full.
	ADU I2	<b>Mental Health Services for Older People - Health Contribution</b> Ensuring appropriate contributions from Health towards the cost of care packages.	0	0	175	175	44	175	0	It is anticipated that these savings will be achieved in full.
	ADU I3	<b>Learning Disabilities - Health Contribution</b> Reflecting contributions from Health towards the cost of care packages.	0	0	100	100	25	100	0	It is anticipated that these savings will be achieved in full.
<b>People and Communities - Adults' Services Total</b>			<b>0</b>	<b>436</b>	<b>400</b>	<b>836</b>	<b>220</b>	<b>706</b>	<b>130</b>	
People and Communities - Children's Services	CHD E1	<b>Shifting the balance of Care : Review Hub</b> The implementation of the review hub is expected to increase intervention and provide earlier support to children, young people and their families leading to stepping down of Care and Support cases where appropriate, resulting in a reduction in associated costs.	0	319	0	319	108	319	0	Reviewing hub now in place. Savings indicated include previous placements that have been reassessed or stepped down. However, increasing price pressures and demand has resulted in a net overspend position in residential and bespoke placements.
	CHD E2	<b>Workforce</b> Improve recruitment and retention of permanent staff will reduce the reliance on more costly agency arrangements.	84	0	0	84	0	84	0	No budget savings possible so far this year and unlikely to be achieved due to the additional workload from placement programme.
	CHD E3	<b>Shifting the balance of Care : Appropriate placement finding</b> Reduction in placement costs through appropriate use of Falconwood Assessment Centre, increased in-house fostering, supported lodgings and kinship placements. Prioritisation of independent fostering for children with the highest needs (parent and baby/complex needs), alongside enhanced step down services.  The saving is net of the pump-prime budget to fund the additional workforce required internally.	0	2,240	0	2,240	750	2240	0	Savings projected include residential placements stepped down through Young Persons Gateway, Fostering and those returned home. Latest figures suggest 32 cases have been stepped down. However, increasing price pressures and demand has resulted in a net overspend position in residential and bespoke placements.
<b>People and Communities - Children Services Total</b>			<b>84</b>	<b>2,559</b>	<b>0</b>	<b>2,643</b>	<b>858</b>	<b>2,643</b>	<b>0</b>	
Resources	RES E2	<b>Reducing the net budget of the Information Governance Function</b> Management of vacant posts within Information Governance.	22	0	18	40	10	40	0	Currently vacant posts being managed
	RES E3	<b>Realigning the Finance and Accountancy function and an income review of the service.</b> A restructure of the Accountancy Function and realignment of resources across Finance, focusing on establishing professional posts so that the service continues to deliver a high quality service, whilst identifying sustainable funding.	28	0	50	78	20	78	0	Currently resources being managed across Finance and Accountancy.
	RES I1	<b>Reducing the net budget of the Revenues Function</b> Maximising the income funding that is being collected by Revenues and ensuring that a proportion of this amount is allocated to the services inspecting, collecting and recovering.	0	0	150	150	33	150	0	Current projections indicate saving will be achieved in full.
<b>Resources Total</b>			<b>50</b>	<b>0</b>	<b>218</b>	<b>268</b>	<b>63</b>	<b>268</b>	<b>0</b>	
<b>Council Total</b>			<b>863</b>	<b>3,370</b>	<b>1,325</b>	<b>5,558</b>	<b>1,887</b>	<b>5,318</b>	<b>240</b>	



**CARDIFF COUNCIL CAPITAL PROGRAMME 2022-2023**

<b>DIRECTORATE &amp; SCHEME</b>		<b>2022-2023 Programme</b>	<b>2021-22 Slippage</b>	<b>Budget Revision</b>	<b>Virements</b>	<b>Changes &amp; New Approvals</b>	<b>Total Programme 2022-23</b>	<b>Projected Outturn</b>	<b>Slippage</b>	<b>(Underspend) / Overspend</b>	<b>Total Variance</b>
		<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b><u>ECONOMIC DEVELOPMENT</u></b>											
<b><u>Business &amp; Investment</u></b>											
1	Town Centre Loan Scheme	0	0	0	0	250	250	250	0	0	0
2	S106 Schemes	54	50	(50)	0	0	54	51	(3)	0	(3)
<b>Total Business &amp; Investment</b>		<b>54</b>	<b>50</b>	<b>(50)</b>	<b>0</b>	<b>250</b>	<b>304</b>	<b>301</b>	<b>(3)</b>	<b>0</b>	<b>(3)</b>
<b><u>City Development &amp; Major Projects</u></b>											
3	Black Tower Tales	0	15	0	0	0	15	15	0	0	0
4	Economic Stimulus Support James Street	1,930	0	0	(1,930)	0	0	0	0	0	0
5	International Sports Village Phase 1 - Land Acquisition	7,400	(9,180)	9,350	1,930	0	9,500	9,500	0	0	0
6	International Sports Village Phase 2 - Development	2,500	(435)	0	0	0	2,065	500	(1,565)	0	(1,565)
7	Central Square Public Realm	342	0	0	0	0	342	0	(342)	0	(342)
8	Indoor Arena	26,300	10,008	0	0	0	36,308	7,000	(29,308)	0	(29,308)
9	Cardiff East Regeneration Strategy	1,500	247	0	0	0	1,747	1,525	(222)	0	(222)
<b>Total City Development &amp; Major Projects</b>		<b>39,972</b>	<b>655</b>	<b>9,350</b>	<b>0</b>	<b>0</b>	<b>49,977</b>	<b>18,540</b>	<b>(31,437)</b>	<b>0</b>	<b>(31,437)</b>
<b><u>Parks &amp; Green Spaces</u></b>											
10	Asset Renewal Buildings	53	0	0	0	0	53	53	0	0	0
11	Asset Renewal Parks Infrastructure	140	147	0	0	0	287	287	0	0	0
12	Play Equipment	290	(109)	0	0	0	181	181	0	0	0
13	Teen/Adult Informal Sport and Fitness Facilities	200	200	0	0	0	400	40	(360)	0	(360)
14	Green Flag Park Infrastructure Renewal	100	61	0	0	0	161	161	0	0	0
15	Roath Park Dam	1,850	(363)	0	0	0	1,487	250	(1,237)	0	(1,237)
16	Flatholm Island - HLF Project	375	25	0	0	0	400	50	(350)	0	(350)
17	S106 Funded Schemes	1,423	1,277	(1,277)	0	0	1,423	1,750	327	0	327
<b>Total Parks &amp; Green Spaces</b>		<b>4,431</b>	<b>1,238</b>	<b>(1,277)</b>	<b>0</b>	<b>0</b>	<b>4,392</b>	<b>2,772</b>	<b>(1,620)</b>	<b>0</b>	<b>(1,620)</b>
<b><u>Leisure</u></b>											
18	Pentwyn Leisure Centre Redevelopment	200	1,444	0	0	0	1,644	250	(1,394)	0	(1,394)
<b>Total Leisure</b>		<b>200</b>	<b>1,444</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,644</b>	<b>250</b>	<b>(1,394)</b>	<b>0</b>	<b>(1,394)</b>
<b><u>Venues &amp; Cultural Facilities</u></b>											
19	Asset Renewal Buildings St Davids's Hall	0	240	0	0	0	240	240	0	0	0
20	Asset Renewal Buildings New Theatre	0	12	0	0	0	12	12	0	0	0
<b>Total Venues &amp; Cultural Facilities</b>		<b>0</b>	<b>252</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>252</b>	<b>252</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b><u>Property &amp; Asset Management</u></b>											
21	Asset Renewal Buildings	1,302	1,442	0	(107)	0	2,637	1,790	(847)	0	(847)
22	Community Asset Transfer	(73)	98	0	0	0	25	0	(25)	0	(25)
23	Investment Property Strategy	0	0	0	0	1,340	1,340	1,340	0	0	0
24	Cardiff Central Market Regeneration - HLF	50	19	0	0	0	69	40	(29)	0	(29)
25	Codebreakers Statue	0	0	0	0	173	173	173	0	0	0
<b>Total Property &amp; Asset Management</b>		<b>1,279</b>	<b>1,559</b>	<b>0</b>	<b>(107)</b>	<b>1,340</b>	<b>4,071</b>	<b>3,170</b>	<b>(901)</b>	<b>0</b>	<b>(901)</b>

**CARDIFF COUNCIL CAPITAL PROGRAMME 2022-2023**

<b>DIRECTORATE &amp; SCHEME</b>		<b>2022-2023 Programme</b>	<b>2021-22 Slippage</b>	<b>Budget Revision</b>	<b>Virements</b>	<b>Changes &amp; New Approvals</b>	<b>Total Programme 2022-23</b>	<b>Projected Outturn</b>	<b>Slippage</b>	<b>(Underspend) / Overspend</b>	<b>Total Variance</b>
		<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Harbour Authority</b>											
26	Harbour Asset Renewal	26	0	0	0	521	547	547	0	0	0
	<b>Total Harbour Authority</b>	<b>26</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>521</b>	<b>547</b>	<b>547</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Recycling Waste Management Services</b>											
27	Waste Recycling and Collection Review	(815)	815	0	0	0	0	0	0	0	0
28	Waste Recycling and Depot Site Infrastructure	300	216	0	(56)	18	478	418	(60)	0	(60)
29	Material Recycling Facility	45	21	0	56	0	122	122	0	0	0
30	Waste Grants Match funding	0	100	0	0	0	100	100	0	0	0
31	Circular Economy Fund Grant	1,000	0	0	0	0	1,000	1,000	0	0	0
32	Rapid Charging Infrastructure	1,000	162	0	0	(979)	183	183	0	0	0
33	Re-Use Shop Cabin (Wastesavers)	0	0	0	0	1	1	1	0	0	0
	<b>Total Recycling Waste Management Services</b>	<b>1,530</b>	<b>1,314</b>	<b>0</b>	<b>0</b>	<b>(960)</b>	<b>1,884</b>	<b>1,824</b>	<b>(60)</b>	<b>0</b>	<b>(60)</b>
<b>TOTAL ECONOMIC DEVELOPMENT</b>		<b>47,492</b>	<b>6,512</b>	<b>8,023</b>	<b>(107)</b>	<b>1,151</b>	<b>63,071</b>	<b>27,656</b>	<b>(35,415)</b>	<b>0</b>	<b>(35,415)</b>
<b>EDUCATION &amp; LIFELONG LEARNING</b>											
<b>Schools - General</b>											
<b>Planning &amp; Development</b>											
34	Asset Renewal Buildings	2,302	0	0	0	0	2,302	2,302	0	0	0
35	Asset Renewal Invest to Save	4,000	4,677	0	0	0	8,677	11,628	2,951	0	2,951
36	Suitability / Sufficiency	1,040	0	0	0	4,372	5,412	5,412	0	0	0
37	S106 Funded Schemes	1,273	1,806	(1,806)	0	1,602	2,875	2,875	0	0	0
	<b>Total Planning &amp; Development</b>	<b>8,615</b>	<b>6,483</b>	<b>(1,806)</b>	<b>0</b>	<b>5,974</b>	<b>19,266</b>	<b>22,217</b>	<b>2,951</b>	<b>0</b>	<b>2,951</b>
<b>Schools Organisation Planning</b>											
38	21st Century Schools - Band A	0	0	0	0	0	0	450	0	450	450
39	21st Century Schools - Band B	45,190	4,041	0	0	(3,985)	45,246	29,801	(15,445)	0	(15,445)
	<b>Total Schools Organisation Planning</b>	<b>45,190</b>	<b>4,041</b>	<b>0</b>	<b>0</b>	<b>(3,985)</b>	<b>45,246</b>	<b>30,251</b>	<b>(15,445)</b>	<b>450</b>	<b>(14,995)</b>
<b>TOTAL EDUCATION &amp; LIFELONG LEARNING</b>		<b>53,805</b>	<b>10,524</b>	<b>(1,806)</b>	<b>0</b>	<b>1,989</b>	<b>64,512</b>	<b>52,468</b>	<b>(12,494)</b>	<b>450</b>	<b>(12,044)</b>
<b>PEOPLE &amp; COMMUNITIES</b>											
<b>COMMUNITIES &amp; HOUSING</b>											
<b>Neighbourhood Regeneration</b>											
40	Neighbourhood Renewal Schemes	350	353	0	0	0	703	500	(203)	0	(203)
41	District Local Centres	0	235	0	0	0	235	0	(235)	0	(235)
42	Transforming Towns Placemaking	0	0	0	0	306	306	306	0	0	0
43	Alleygating	100	98	0	0	0	198	50	(148)	0	(148)
44	Targeted Regeneration Investment Programme Matchfunding	0	801	0	0	0	801	801	0	0	0
45	St Mary Street Improvement Works	0	0	0	0	93	93	93	0	0	0
46	Rhiwbina Hub	0	281	0	107	507	895	895	0	0	0
47	City Centre Youth Hub	(650)	784	0	0	0	134	134	0	0	0
48	Youth Zone - Cowbridge Road West Regeneration	1,000	(98)	0	0	0	902	750	(152)	0	(152)
49	S106 Funded Projects	287	(318)	318	0	0	287	105	(182)	0	(182)
	<b>Total Neighbourhood Regeneration</b>	<b>1,087</b>	<b>2,136</b>	<b>318</b>	<b>107</b>	<b>906</b>	<b>4,554</b>	<b>3,634</b>	<b>(920)</b>	<b>0</b>	<b>(920)</b>

**CARDIFF COUNCIL CAPITAL PROGRAMME 2022-2023**

<b>DIRECTORATE &amp; SCHEME</b>		<b>2022-2023 Programme</b>	<b>2021-22 Slippage</b>	<b>Budget Revision</b>	<b>Virements</b>	<b>Changes &amp; New Approvals</b>	<b>Total Programme 2022-23</b>	<b>Projected Outturn</b>	<b>Slippage</b>	<b>(Underspend) / Overspend</b>	<b>Total Variance</b>
		<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Housing (General Fund)</b>											
50	Disabled Facilities Service	4,100	1,172	0	(2)	0	5,270	4,970	(300)	0	(300)
51	Enable Grant	540	0	0	0	115	655	655	0	0	0
52	Independent Living Wellbeing Hub - Displacement	3,500	1,101	0	0	0	4,601	0	(4,601)	0	(4,601)
53	Assistive Living	0	0	0	2	0	2	2	0	0	0
54	Traveller Site Expansion	250	0	0	0	0	250	100	(150)	0	(150)
55	Estate Environmental Improvements	80	3	0	0	0	83	183	100	0	100
<b>Total Housing</b>		<b>8,470</b>	<b>2,276</b>	<b>0</b>	<b>0</b>	<b>115</b>	<b>10,861</b>	<b>5,910</b>	<b>(4,951)</b>	<b>0</b>	<b>(4,951)</b>
<b>Flying Start</b>											
56	Flying Start	1,000	0	0	(1,000)	137	137	137	0	0	0
57	Moorland Primary	0	500	(200)	1,000	0	1,300	1,300	0	0	0
58	Childcare	0	204	0	0	0	204	204	0	0	0
<b>Total Flying Start</b>		<b>1,000</b>	<b>704</b>	<b>(200)</b>	<b>0</b>	<b>137</b>	<b>1,641</b>	<b>1,641</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Communities &amp; Housing</b>		<b>10,557</b>	<b>5,116</b>	<b>118</b>	<b>107</b>	<b>1,158</b>	<b>17,056</b>	<b>11,185</b>	<b>(5,871)</b>	<b>0</b>	<b>(5,871)</b>
<b>SOCIAL SERVICES</b>											
<b>Adult Services</b>											
59	Tremorfa Day Services	0	36	0	0	0	36	36	0	0	0
<b>Total Adult Services</b>		<b>0</b>	<b>36</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>36</b>	<b>36</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Children's Services</b>											
60	Accommodation Strategy	0	(18)	18	0	0	0	0	0	0	0
61	Young Persons Gateway Accommodation	0	248	0	0	0	248	50	(198)	0	(198)
62	Residential Provision for Children Looked After	0	500	0	0	0	500	0	(500)	0	(500)
63	Respite - Learning Disabilities behaviour that challenges (Ty Storrie) - Displacement	100	1,135	0	0	0	1,235	200	(1,035)	0	(1,035)
64	Edge of Care Units (*2) - Bringing out of county home - Displacement	0	455	0	0	0	455	455	0	0	0
65	Childrens Assessment Centres - Displacement	0	455	0	0	0	455	0	(455)	0	(455)
66	Safer Accommodation - Displacement	0	695	0	0	0	695	0	(695)	0	(695)
<b>Children's Services</b>		<b>100</b>	<b>3,470</b>	<b>18</b>	<b>0</b>	<b>0</b>	<b>3,588</b>	<b>705</b>	<b>(2,883)</b>	<b>0</b>	<b>(2,883)</b>
<b>Total Social Care</b>		<b>100</b>	<b>3,506</b>	<b>18</b>	<b>0</b>	<b>0</b>	<b>3,624</b>	<b>741</b>	<b>(2,883)</b>	<b>0</b>	<b>(2,883)</b>
<b>TOTAL PEOPLE &amp; COMMUNITIES</b>		<b>10,657</b>	<b>8,622</b>	<b>136</b>	<b>107</b>	<b>1,158</b>	<b>20,680</b>	<b>11,926</b>	<b>(8,754)</b>	<b>0</b>	<b>(8,754)</b>
<b>PLANNING, TRANSPORT &amp; ENVIRONMENT</b>											
<b>Energy Projects &amp; Sustainability</b>											
67	Cardiff Heat Network	4,628	1,550	0	0	0	6,178	6,178	0	0	0
68	Energy Retrofit of Buildings (REFIT - Invest to Save)	0	0	0	0	129	129	129	0	0	0
69	One Planet Strategy small schemes & matchfunding	500	360	0	0	0	860	660	(200)	0	(200)
<b>Total Energy Projects &amp; Sustainability</b>		<b>5,128</b>	<b>1,910</b>	<b>0</b>	<b>0</b>	<b>129</b>	<b>7,167</b>	<b>6,967</b>	<b>(200)</b>	<b>0</b>	<b>(200)</b>

**CARDIFF COUNCIL CAPITAL PROGRAMME 2022-2023**

<b><u>DIRECTORATE &amp; SCHEME</u></b>	<b>2022-2023 Programme</b>	<b>2021-22 Slippage</b>	<b>Budget Revision</b>	<b>Virements</b>	<b>Changes &amp; New Approvals</b>	<b>Total Programme 2022-23</b>	<b>Projected Outturn</b>	<b>Slippage</b>	<b>(Underspend) / Overspend</b>	<b>Total Variance</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>

**CARDIFF COUNCIL CAPITAL PROGRAMME 2022-2023**

<b>DIRECTORATE &amp; SCHEME</b>		<b>2022-2023 Programme</b>	<b>2021-22 Slippage</b>	<b>Budget Revision</b>	<b>Virements</b>	<b>Changes &amp; New Approvals</b>	<b>Total Programme 2022-23</b>	<b>Projected Outturn</b>	<b>Slippage</b>	<b>(Underspend) / Overspend</b>	<b>Total Variance</b>
		<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b><u>Bereavement &amp; Registration Services</u></b>											
70	Bereavement Asset Renewal	95	95	0	0	0	190	190	0	0	0
	<b>Total Bereavement &amp; Registration Services</b>	<b>95</b>	<b>95</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>190</b>	<b>190</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b><u>Highway Infrastructure</u></b>											
71	Highway Carriageway - Reconstruction	100	58	0	267	0	425	425	0	0	0
72	Highway Resurfacing	2,300	2,674	0	(1,967)	0	3,007	4,148	1,141	0	1,141
73	Footpaths	760	0	0	0	0	760	1,293	533	0	533
74	Footway Improvements around Highway Trees	125	0	0	0	0	125	125	0	0	0
75	Millennium Walkway	400	(400)	0	0	0	0	0	0	0	0
76	Bridges & Structures	600	902	0	0	0	1,502	950	(552)	0	(552)
77	Street Lighting Renewals	740	384	0	0	0	1,124	324	(800)	0	(800)
78	LED Lighting Residential (Invest to Save)	1,200	773	0	0	0	1,973	2,800	827	0	827
79	Coastal Erosion Scheme Rover Way to Lamby Way	4,000	196	0	0	260	4,456	260	(4,196)	0	(4,196)
80	Flood Prevention Schemes	250	238	0	0	1,472	1,960	1,513	(447)	0	(447)
	<b>Total Highway Maintenance</b>	<b>10,475</b>	<b>4,825</b>	<b>0</b>	<b>(1,700)</b>	<b>1,732</b>	<b>15,332</b>	<b>11,838</b>	<b>(3,494)</b>	<b>0</b>	<b>(3,494)</b>
<b><u>Traffic &amp; Transportation</u></b>											
81	Asset Renewal Telematics / Butetown Tunnel	300	501	0	0	0	801	801	0	0	0
82	Cycling Development	800	1,941	0	(1,000)	0	1,741	1,000	(741)	0	(741)
83	Road Safety Schemes	335	0	0	0	0	335	335	0	0	0
84	WG Grant Matchfunding	375	136	0	0	0	511	316	(195)	0	(195)
85	WG (Local Transport Fund)	3,000	185	0	0	(630)	2,555	2,370	(185)	0	(185)
86	WG (Road Safety Casualty Reduction)	0	0	0	0	89	89	89	0	0	0
87	WG (Safe Routes in Communities)	600	0	0	0	689	1,289	1,289	0	0	0
88	WG (Active Travel Fund)	10,000	0	0	0	(761)	9,239	9,239	0	0	0
89	WG (20mph Core Allocation)	0	0	0	0	316	316	316	0	0	0
90	WG (Air Quality)	5,000	0	0	0	(2,493)	2,507	2,507	0	0	0
91	WG ( Bus Infrastructure Fund )	0	0	0	0	1,511	1,511	1,511	0	0	0
92	City Centre Eastside and Canal Phase 1	3,750	21	0	1,500	1,098	6,369	6,369	0	0	0
93	City Centre Transport Schemes Matchfunding	259	(83)	0	1,500	0	1,676	491	(1,185)	0	(1,185)
94	City Centre Transport Impact - Enabling works	1,000	1,500	0	0	0	2,500	1,000	(1,500)	0	(1,500)
95	Moving Offences Enforcement / P&D Equipment	125	0	0	0	(125)	0	0	0	0	0
96	Bus Corridor Improvements	335	139	0	(300)	0	174	174	0	0	0
97	Cardiff West Interchange	0	225	0	0	0	225	25	(200)	0	(200)
98	S106 Funded Schemes	1,202	440	(440)	0	0	1,202	484	(718)	0	(718)
	<b>Total Traffic &amp; Transportation</b>	<b>27,081</b>	<b>5,005</b>	<b>(440)</b>	<b>1,700</b>	<b>(306)</b>	<b>33,040</b>	<b>28,316</b>	<b>(4,724)</b>	<b>0</b>	<b>(4,724)</b>
<b><u>Strategic Planning &amp; Regulatory</u></b>											
99	S106 Projects	681	172	(172)	0	0	681	34	(647)	0	(647)
	<b>Total Strategic Planning &amp; Regulatory</b>	<b>681</b>	<b>172</b>	<b>(172)</b>	<b>0</b>	<b>0</b>	<b>681</b>	<b>34</b>	<b>(647)</b>	<b>0</b>	<b>(647)</b>
<b>TOTAL PLANNING, TRANSPORT &amp; ENVIRONMENT</b>		<b>43,460</b>	<b>12,007</b>	<b>(612)</b>	<b>0</b>	<b>1,555</b>	<b>56,410</b>	<b>47,345</b>	<b>(9,065)</b>	<b>0</b>	<b>(9,065)</b>

**CARDIFF COUNCIL CAPITAL PROGRAMME 2022-2023**

<b>DIRECTORATE &amp; SCHEME</b>		<b>2022-2023 Programme</b>	<b>2021-22 Slippage</b>	<b>Budget Revision</b>	<b>Virements</b>	<b>Changes &amp; New Approvals</b>	<b>Total Programme 2022-23</b>	<b>Projected Outturn</b>	<b>Slippage</b>	<b>(Underspend) / Overspend</b>	<b>Total Variance</b>
		<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>RESOURCES</b>											
<b>Technology</b>											
100	Modernising ICT to improve Business Processes	44	207	0	0	0	251	251	0	0	0
101	ICT Refresh	800	541	0	0	0	1,341	1,141	(200)	0	(200)
<b>Total Technology</b>		<b>844</b>	<b>748</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,592</b>	<b>1,392</b>	<b>(200)</b>	<b>0</b>	<b>(200)</b>
<b>Central Transport Services</b>											
102	Vehicle Replacement - Lease or Buy Phase 1	0	90	0	0	(90)	0	0	0	0	0
103	Vehicle Replacement - Lease or Buy Phase 2	4,700	(2,394)	0	0	0	2,306	2,306	0	0	0
<b>Total Central Transport Services</b>		<b>4,700</b>	<b>(2,304)</b>	<b>0</b>	<b>0</b>	<b>(90)</b>	<b>2,306</b>	<b>2,306</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Corporate</b>											
104	Contingency	200	0	0	0	(200)	0	0	0	0	0
105	Invest to Save - Small Schemes	500	0	0	0	(500)	0	0	0	0	0
106	City Deal WIF Payment to Region	(6,792)	6,792	0	0	0	0	0	0	0	0
107	Core Office Strategy - Digital Infrastructure	1,450	5,402	0	0	0	6,852	4,000	(2,852)	0	(2,852)
108	Web casting and Infrastructure	0	160	0	0	0	160	160	0	0	0
109	Electric Bus and Infrastructure Grant Scheme - Displacement	0	7,949	0	0	0	7,949	800	(7,149)	0	(7,149)
<b>Total Corporate</b>		<b>(4,642)</b>	<b>20,303</b>	<b>0</b>	<b>0</b>	<b>(700)</b>	<b>14,961</b>	<b>4,960</b>	<b>(10,001)</b>	<b>0</b>	<b>(10,001)</b>
<b>TOTAL RESOURCES</b>		<b>902</b>	<b>18,747</b>	<b>0</b>	<b>0</b>	<b>(790)</b>	<b>18,859</b>	<b>8,658</b>	<b>(10,201)</b>	<b>0</b>	<b>(10,201)</b>
<b>TOTAL GENERAL FUND</b>		<b>156,316</b>	<b>56,412</b>	<b>5,741</b>	<b>0</b>	<b>5,063</b>	<b>223,532</b>	<b>148,053</b>	<b>(75,929)</b>	<b>450</b>	<b>(75,479)</b>
<b>PUBLIC HOUSING (HRA)</b>											
110	Estate Regeneration and Stock Remodelling	2,650	(2,473)	2,473	0	0	2,650	2,700	50	0	50
111	External and Internal improvements to buildings	19,150	9,166	(9,166)	0	0	19,150	26,975	7,825	0	7,825
112	Disabled Facilities Service	3,000	848	(848)	0	0	3,000	2,700	(300)	0	(300)
113	Housing New Builds & Acquisitions	49,810	32,043	(32,043)	0	0	49,810	43,775	(6,035)	0	(6,035)
<b>TOTAL PUBLIC HOUSING</b>		<b>74,610</b>	<b>39,584</b>	<b>(39,584)</b>	<b>0</b>	<b>0</b>	<b>74,610</b>	<b>76,150</b>	<b>1,540</b>	<b>0</b>	<b>1,540</b>
<b>TOTAL</b>		<b>230,926</b>	<b>95,996</b>	<b>(33,843)</b>	<b>0</b>	<b>5,063</b>	<b>298,142</b>	<b>224,203</b>	<b>(74,389)</b>	<b>450</b>	<b>(73,939)</b>

## Appendix 5 – General Fund Capital Schemes Update – Month 6

In February 2022, the Council approved a new General Fund Capital Programme of £156.316 million for 2022/23 and an indicative programme to 2026/27. The budget for the General Fund has since been adjusted to £223.532 million to include actual slippage reported at outturn, incorporation of new grant approvals and confirmation of actual grant awards.

### Economic Development

1. The Directorate Programme for 2022/23 is £63.071 million; with an initial variance of £35.415 million identified and largely attributable to changes in timescales for the Indoor Arena project.

### **Business and Investment**

2. The Council has drawn down repayable loan funding totalling £6.060 million from Welsh Government for the implementation of town centre regeneration schemes to bring back vacant, underutilised, or redundant buildings into beneficial use. Onward loans are approved by the Council following a due diligence process with the only approval in this year to date being a £250,000 loan to Tramshed Tech Ltd to support expansion of business services and flexible office space. It should be noted that all risk in respect to repayable loans received from Welsh Government remains with the Local Authority.
3. The Black Tower Tales visitor experience at Cardiff Castle opened in May 2021. With the scheme costing a total of £351,000, there is a remaining budget of £15,000 retained for final snagging works expected during 2022/23.
4. In September 2021, Cabinet agreed to progress the development strategy for the International Sports Village (ISV) by formally terminating an old Development Agreement with Greenbank Partnership Ltd on the waterfront site and agreeing to acquire all the land and assets owned by Greenbank at the ISV. Further land acquisition and associated costs due to be incurred in 2022/23, including for the Ice Arena, are approximately £9.5 million, in addition to £11.180 million incurred in 2021/22. Expenditure on land acquisition is assumed to be recovered from sales of land. Close monitoring and reporting of the timescale and value of receipts will need to be undertaken and reported as part of the Annual Property Plan and future reports to Cabinet to ensure that there is no sustained impact on the Council's borrowing requirement and on the revenue costs of holding the sites. Additionally, £500,000 of expenditure is forecast towards professional fees on the development of a new velodrome within the redesigned ISV.
5. A final business case for the delivery of an Indoor Arena was approved by Cabinet in September 2021. Projected expenditure for 2022/23 is circa £7 million, to include the final tranche of land purchases and commencement of enabling works. The Development and Funding Agreement is due to reach financial close later this financial year, which will allow construction to begin on site. This is later than originally scheduled, which means a significant proportion of this year's budget (circa £29 million) will need to be carried forward

4.C.213	Issue 5	Aug 2013	Process Owner: Cabinet Support Office	Authorised: Joanne Watkins	Page 1 of 17 Final
---------	---------	----------	---------------------------------------	----------------------------	-----------------------

into 2023/24. All expenditure will be covered by the Arena affordability envelope.

6. Cabinet in October 2022 considered an update on the Llanrumney Regeneration Scheme including an outline of the developer's proposal for the delivery of a new road link and bridge connecting the A48 to the Llanrumney ward. As part of an agreed Cardiff East Regeneration Strategy, subject to agreement of detailed grant terms, a grant of £1.5 million has also been committed towards a partnership with Cardiff University, Football Association of Wales, Cardiff City Football Club and House of Sport Ltd to develop a state-of-the-art sports complex and pitches, all currently under construction. A further £25,000 of professional fees towards the wider development is projected. The grant is due to be funded by receipts from land sales, and where expenditure commitments are required to be agreed in advance of land sales and development agreements, the risks of doing so will need to be considered as part of relevant decision-making processes.

## **Parks & Green Spaces**

7. Property Asset Renewal expenditure of £53,000 includes changing room works at Blackweir, Hailey Park and Trelai.
8. The Parks Asset Renewal Infrastructure budget for 2022/23 including slippage is £287,000 and is to be used for footpath reconstruction at Brachdy Lane, Bute Park and Grange Gardens. It will also be used for structural works, such as bridge replacement at Cobb Woods, Hendre Lake and wall refurbishment at Insole Court. Subject to design and cost estimates, schemes may need to be prioritised.
9. As well as completion of several projects started in the previous year, design and upgrade works for a number of play area sites will be undertaken using developer's obligations, where available and eligible for use, as well as Council budgets as part of a replacement programme. This includes sites such as Heol Llanishen Fach and Drovers Way.
10. A budget of £400,000 including slippage of £200,000 carried forward has been allocated to improve the condition of multi-use games areas, fitness equipment, BMX tracks and skate parks across the city. All budget made available has been allocated to a destination skate park proposed in Llanrumney which is currently the subject of detailed design and an acceptable tender exercise. Pending the outcome of the tender, it is currently assumed that most expenditure will fall in 2023/24.
11. The Green Flag Infrastructure Renewal budget is £161,000 including slippage and is allocated to support the replacement of signage and infrastructure in existing Green Flag parks. Works onsite include footpaths at Grange Gardens and a log retaining wall at Roath Park.
12. Expenditure of £250,000 is forecast during 2022/23 in relation to Roath Park Dam. Investigatory / modelling works continue, along with a Phase 2

4.C.213	Issue 5	Aug 2013	Process Owner: Cabinet Support Office	Authorised: Joanne Watkins	Page 2 of 17 Final
---------	---------	----------	---------------------------------------	----------------------------	-----------------------



Stakeholder Consultation Exercise, focusing on the detailed design of the scheme. This will be followed by a Cabinet Report confirming requirement, options, and scope prior to any submission of a planning application.

13. Following on from the development phase, the Council and partners have been successful in securing Heritage Lottery Funding of up to £645,200 over the medium term towards the restoration of built and natural heritage on Flat Holm Island. This is for the Walk-through Time project, in partnership with RSPB Cymru and the Flat Holm Society, which aims to preserve its heritage, protect its rich wildlife, and attract more visitors to the site. Expenditure of £50,000 is projected to be spent on professional fees prior to any tender exercises.

## **Leisure**

14. The redevelopment of Pentwyn Leisure Centre is subject to a business case proposed to be self-financing from land sale receipts and revenue income. The budget for 2022/23 is £1.644 million including slippage, and further delay will result in slippage of £1.394 million into 2023/24, whilst the scope, business case, viability and development agreements are confirmed. Expenditure of £250,000 on professional fees is forecast for 2022/23.

## **Venues and Cultural Facilities**

15. Property Asset Renewal works (£240,000) for St David's Hall include the completion of the fire alarm installation and the building management system. As part of initial necessary works to be undertaken at the New Theatre prior to handover to HQ Theatres, work to the building management system, which was started last year, is now complete. Robust systems should be put in place with regular collaboration with the operator to action any residual Council responsibilities for the building on an ongoing basis.

## **Property & Asset Management**

16. Property Asset Renewal works for non-school buildings will continue to be developed over the year but include boiler/heating replacement at various locations including Central Library, City Hall, Grangetown Hub and Tremorfa Day Centre. They will also include a ventilation and distribution boards upgrade at the Wales National Tennis Centre and health and safety works at Mansion House, Norwegian Church Centre, Cardiff Castle and remedial works at Cardiff International White-Water Centre. £107,000 has been vired towards the wider refurbishment at Rhiwbina Library. Slippage of £847,000 has been assumed into 2023/24 primarily due to further development work being required in larger schemes and the asset renewal work on the school's estate being prioritised.
17. The Community Asset Transfer budget provides up to £25,000 for improvement works to buildings being taken on by third party organisations. No schemes are currently planned for 2022/23, so the unspent budget will be reprofiled to future years and reviewed to determine whether the budget is still required as part of the investment programme in 2023/24.

4.C.213	Issue 5	Aug 2013	Process Owner: Cabinet Support Office	Authorised: Joanne Watkins	Page 3 of 17 Final
---------	---------	----------	---------------------------------------	----------------------------	-----------------------

18. In line with the investment property strategy approved by Cabinet in 2016, a number of additional sites where the Council is the original freeholder and has provided a lease will be acquired with a view to onward disposal for regeneration or to benefit from regearing of sites. Subject to completion of legal terms, this includes 14 Ipswich Road and various Brains Pubs sites. An estimate of £1.340 million is assumed at this stage for the year, and any onward disposal should be actioned as soon as possible to ensure any recurring costs of holding the properties are minimised.
19. In respect of Central Market, subject to successful grant funding, the Council has allocated circa £700,000 over four years to invest in the fabric of the building; improving the appearance, tackling structural issues and enhancing the commercial attractiveness. Expenditure in 2022/23 is estimated at £40,000 on professional fees, with the final grant submission to the Heritage Lottery Fund due in February 2023, at which point a more detailed future spending profile can be compiled.
20. A new statue is to be erected in Cardiff Bay celebrating the Rugby Codebreakers, with grant support from Welsh Government and grassroots fundraising efforts, as well as a £50,000 contribution from the Council. Whilst the scheme is not due to complete until early 2023/24, circa £172,500 of the total cost will be incurred during the current financial year.

### **Harbour Authority**

21. The Harbour Asset Renewal budget approved for 2022/23 is £547,000, to be spent on completing the installation of boardwalk decking and steps and upgrading barrage control equipment in line with its asset management plan.

### **Recycling Waste Management Services**

22. The Capital programme for 2020/21 included an allocation of £815,000 to roll out a separate glass collection scheme. The Council's recycling strategy 2021-2025 was the subject of consultation with feedback and a phased programme of change to improve recycling performance considered by Cabinet. Subject to the implementation costs of the strategy over the period and availability of external grant funding, this budget is carried forward and is to be reviewed as part of the budget proposals for 2023/24 and individual business cases for agreed change actions.
23. The Waste Recycling and Depot Site Infrastructure budget of £478,000 is to be used for a range of infrastructure improvements at depot and recycling sites including health and safety works at the Heavy Goods Vehicle car park and the salt barn hardstanding and to address car park subsidence.
24. The Materials Recycling Facility (MRF) budget of £122,000 includes a virement from the Waste Recycling and Depot Site Infrastructure budget to partially offset a projected additional cost to replace key components to keep the facility operational.

4.C.213	Issue 5	Aug 2013	Process Owner: Cabinet Support Office	Authorised: Joanne Watkins	Page 4 of 17 Final
---------	---------	----------	---------------------------------------	----------------------------	-----------------------

25. A sum of £100,000 Council match funding is included in the Capital Programme to help secure a range of Welsh Government grants such as from the Circular Economy Fund to be bid for during the year. Details of any external grant awards approved to support the recycling strategy will be included in future monitoring reports. No invitations to bid for Ultra Low Emissions Vehicle Transformation Fund to install electric vehicle charging infrastructure in car parks is expected, with wider schemes operating on a regional basis. Any assumed budget is removed from the programme at this stage.

### **Education and Lifelong Learning**

26. The Directorate Programme for 2022/23 is £64.512 million, with a projected variance of £12.044 million identified.

### **Schools - General**

#### *Asset Renewal - Buildings*

27. The Council's asset renewal allocation of £2.302 million in 2022/23 was budgeted for works across the schools' estate including roof and boiler replacements, fire precaution works, safeguarding of lobbies and kitchen upgrades. An additional £8.677 million, from the overall additional £25 million of Invest to Save funding approved in 2018/19, was allocated to address condition, health and safety and additional learning needs within the schools' estate. This funding is planned to be used flexibly to cover priority works within schools and an additional £2.951 million is anticipated to be drawn down earlier than planned for use in 2022/23.

#### *Asset Renewal – Suitability and Sufficiency*

28. The original Suitability and Sufficiency budget of £1.040 million is expected to be fully utilised in 2022/23 on a range of works including security and safeguarding works on boundaries and receptions across the schools' estate, as well as priority Disability Discrimination Act (DDA) adaptations. Additional WG grant awards have been made in relation to ALN capital works (£2.188 million) and Community Focus Schools (£2.184 million). Both are expected to displace capital budgets previously identified allowing the need to bring forward Invest to Save funding to be mitigated.

### **Schools Organisation Plan – 21<sup>st</sup> Century Schools**

29. Additional works relating to Ysgol Glan Morfa demolition were identified resulting in additional expenditure of £450,000 and to be managed within the Band A financial model.

4.C.213	Issue 5	Aug 2013	Process Owner: Cabinet Support Office	Authorised: Joanne Watkins	Page 5 of 17 Final
---------	---------	----------	---------------------------------------	----------------------------	-----------------------

30. Band B of the 21<sup>st</sup> Century Schools Programme is underway with an original funding envelope of circa £284 million. This is to be funded by a Welsh Government grant award with match funding from Cardiff Council at a rate determined by the type of school. The new Willows project has returned to the Band B programme due to progress of the project, with Cathays High remaining a Mutual Investment Model (MIM) scheme.
31. Works at Fitzalan High School have a Welsh Government approved overall budget of £64.3 million. Expenditure on the project in 2022/23 is estimated to be £23.557 million of which £5.670 relates to the final grant payment from Welsh Government.
32. The Fairwater Campus scheme includes three schools (Cantonian, Riverbank and Woodlands) relocated onto one shared campus. A full business case is to be submitted to Welsh Government with expenditure on planning, surveys and professional fees underway and enabling works to commence shortly.
33. Two land acquisitions took place in 2020/21 costing £15.926 million in preparation for the Willows project. This was funded by Welsh Government in addition to the original Band B envelope but will attract the same level of Cardiff Council match funding as other secondary schools, 35% of the overall funding. The outline business case has now been approved by Welsh Government with enabling works being costed.
34. Due to the requirement to resolve land issues, the St Mary the Virgin scheme has been reprofiled with no significant expenditure expected until 2023/24.
35. Other Band B schemes currently underway include Greenhill and the Court Special School. These schemes are currently incurring costs in relation to planning, surveys and professional fees which are funded through Band B Invest to Save funding prior to Welsh Government full business case sign off.

### **People & Communities**

36. The Directorate Programme for 2022/23 is £20.680 million with a variance of £8.754 million identified.

### **Communities & Housing**

#### **Neighbourhood Regeneration**

37. The Neighbourhood Renewal Schemes budget is £703,000 including £353,000 from the previous year. Projected expenditure for the year is £500,000 for schemes including a new 3G sports pitch in Splott and at Llanrumney Hall, with the remainder slipping to the next financial year, subject to progress on site. Opportunities for additional grant funding continue to be sought and subject to success, may result in additional slippage.

4.C.213	Issue 5	Aug 2013	Process Owner: Cabinet Support Office	Authorised: Joanne Watkins	Page 6 of 17 Final
---------	---------	----------	---------------------------------------	----------------------------	-----------------------

38. An initial budget allocation of £250,000 was requested and approved in 2021/22 towards District and Local Centres of which £235,000 was slipped into the current financial year. Full slippage is assumed again whilst a comprehensive plan of priorities is determined in conjunction with successful grant bids. A grant award from the Welsh Government Transforming Towns Placemaking Programme has been received with allocations over the next three years of £306,000, £435,000 and £580,000 respectively. This is for a range of placemaking interventions to support priorities identified in South Riverside, Cowbridge Road East, Adamsdown/Roath and as part of City Centre Recovery Strategy.
39. The need to complete legal procedures and consultation continues to result in delays in implementing alleygating projects, with approximately £50,000 of the total £198,000 budget forecast to be spent in year. The remainder will be available for schemes in 2023/24.
40. Several schemes progressed under the Welsh Government Targeted Regeneration Investment Programme (TRIP), paid for by a combination of external grant and Council match funding are ending. This includes works on Tudor Street to improve the public realm environment and external improvements to commercial premises which will fully utilise the Council's match funding element of £801,000 carried from 2021/22 and allocated transport funding for city centre enabling works.
41. Improvement works at St Mary Street, costing an estimated £93,000, are due to be completed this year and are to be paid for by agreed contributions from the Civil Parking Enforcement reserve.
42. Expenditure on Rhiwbina Hub is due to complete in 2022/23, with expenditure this year forecast at £895,000. Alongside the existing budget allocation and use of displaced grant funding from 2021/22, further external grant funding has been approved in principle to cover additional costs of the scheme and equipment.
43. The Council budget remaining to develop a Multi-Agency City Centre Youth Hub totals £2.036 million. Pending a review of alternative options and sites by Cabinet to deliver a viable project, only professional fees are likely to be incurred during 2022/23, however the risk of abortive costs will need to be considered. Expenditure of £134,000 is assumed to take place in the year, and additional budget may need to be brought forward subject to progress.
44. A vacant site on Cowbridge Road West, enjoys a prominent road frontage and is considered an important gateway site into the city and two neighbouring wards. From its potential match funding towards any project, the Council aims to secure land to determine regeneration opportunities via a youth community-based facility. This is currently subject to a business case, a Levelling Up grant application and working with external partners prior to a future report to Cabinet on next steps.

## Housing (General Fund)

45. The Disabled Facilities Service budget for mandatory and discretionary grants to housing owner-occupiers as well as for administration costs for the grants is £5.270 million including slippage of £1.172 million. Expenditure for the year is projected to be £4.970 million with slippage of approximately £300,000. This is subject to service demand following emergence from the pandemic and impacts arising from the price of equipment and materials.
46. As well as the above, an Enable Grant totalling £655,000 has been awarded by Welsh Government and will be fully utilised to deliver additional adaptations to help older, disabled and vulnerable people by, accelerating discharge from hospital to a safe and comfortable home, reducing delayed transfers of care and improving the individual's ability to maintain independence at home.
47. Subject to a business case, approval of partners and finding a suitable site, the Council approved a budget of £5 million on a self-financing basis, to develop an independent wellbeing hub. Expenditure of £3.500 million was initially assumed when setting the budget for the year, however, this is subject to finding a suitable site and confirmation of a business case so full slippage is currently projected into 2023/24. At the end of 2021/22, a grant was received from Welsh Government of £1.101 million to support independent living solutions. This was used in that year and any displaced Council funding may be deemed available towards the Council's costs of any approved wellbeing hub scheme. Any scheme would be subject to approval of external partners and agreed contributions towards costs.
48. Following initial design, costs and review of ground conditions, the extent of any expansion to the Shirenewton Traveller site has been reduced in scope. Further development works are being undertaken during 2022/23, with risk of further abortive costs, prior to any confirmation of costs and Welsh Government Grant approval towards costs of the project.
49. To facilitate comprehensive regeneration schemes, the estate environmental improvement allocation supports the costs of works to owner-occupier properties as part of the Public Housing programme. Schemes during the year include Pennsylvania, Arnold Avenue Bronte Crescent and subject to outcome of tenders are start on Trowbridge Green, with total expenditure of £183,000 currently anticipated and requiring £100,000 to be brought forward from the 2023/24 budget.
50. The Council is also working with Welsh Government to secure funding for a mixed tenure energy efficiency retrofit scheme to unimproved British Iron and Steel Federation (BISF) properties in Llandaff North and Rumney (up to 252 properties). This is proposed to be the subject of future Cabinet consideration, pending approval of a detailed business case and acceptable procurement of works.

## Flying Start

4.C.213	Issue 5	Aug 2013	Process Owner: Cabinet Support Office	Authorised: Joanne Watkins	Page 8 of 17 Final
---------	---------	----------	---------------------------------------	----------------------------	-----------------------

51. The budget for Flying Start Capital schemes for the year totals £1.437 million. This comprises of ongoing projects from previous years including £1.3 million in relation to Moorland Primary. In year allocations will be utilised for refurbishment, ICT and external works at ten nursery sites across Cardiff; full expenditure of this capital funding is anticipated this year.

### **Childcare Capital Grant**

52. Welsh Government have introduced a new Early Years and Childcare Capital Programme, over three years to 2024-25. This is subject to a bidding and business case process and could include existing planned projects and/or new projects that have been identified from Childcare Sufficiency Assessments or as part of Flying Start childcare expansion plans. Funding applications will be developed and subject to approval be included in future monitoring reports. Slippage of £204,000 relates to grants provided to nurseries as part of additional funding awarded by Welsh Government carried forward from 2021/22.

### **Social Services**

#### **Adult Services**

53. There is a total programme budget of £36,000 due to slippage from 2021/22, all of which is due to be spent this year on professional fees for the design and development of a scheme for the Tremorfa Day Centre.

#### **Children’s Services**

54. The Young Persons Gateway Accommodation scheme aims to convert properties to include an office / sleep in accommodation on site, to provide supported accommodation for young people (16-24 years) to help them live independently whilst still providing intensive 24-hour support. A framework agreement is currently in progress with commencement of a new contract allowing the Council to source four additional 6-bed properties (24 units) due for September 2022. Expenditure of £50,000 is forecast for the year, with £198,000 slipped into next year to facilitate the sourcing of a further eighteen units in 2023/24.

55. As part of the Right Home, Right Support Children Looked After Commissioning Strategy (2019-2022), £1.5 million was also made available in the programme over a two-year period to develop an emergency pop-up unit, assessment units, and additional residential places in the city. £500,000 was made available during this financial year to secure additional properties, but it is anticipated that this will need to be slipped again into 2023/24 as a result of receiving additional grant funding in 2021/22 and is to be reviewed as part of the development of the 2023/24 capital programme. Any expenditure on both the above schemes would need to be repaid on an invest to save basis.

56. In 2021/22, following numerous successful bids to the Intermediate Care Fund (ICF), £2.740 million of grant was allocated to the Council to support the development and acquisition of additional properties. Displaced Council funding is carried forward as slippage and is available to use for the following:

- Improvements to respite accommodation at Ty Storrie for Children and Young People with Learning Disabilities and behaviour challenges. £200,000 expenditure is anticipated this year in developing the design, with slippage of £1.035 million.
- Two new young person’s assessment centres which will be high quality, fully accessible, fit for purpose and able to accommodate a wide range of programmes, activities, and resources specifically to meet a wide range of health and well-being needs of young people to enable independent living in the future.
- Two residential properties linked to the new young person’s assessment centres to facilitate service delivery specifically tailored to young people (10-17 years) and able to accommodate up to three young people each.
- A young person’s safe accommodation supported living unit, with a specific focus on supporting existing placements and helping young people to progress to live independent lives in permanent accommodation.

Property searches are being undertaken with options including open market purchase, new build as well as re-purposing and upgrading existing Council assets. However due to the specialist nature of the property criteria, expenditure of £455,000 is currently projected, resulting in slippage into 2023/24 of £1.150 million. Whilst grant funds have been received, it is essential that the expected outcomes of the grant award are met promptly and in accordance with a confirmed overall strategy.

The Council is working with Regional Partners and Welsh Government to develop new Capital Funding Arrangement in place of Integrated Care Funding. This is to support several outcomes including, increasing housing with care for older people and for children, development of integrated health and social care hubs and centres and other care needs to support service delivery closer to home. Further detail on any specific proposals impacting on Cardiff, would be considered following confirmation of the grant funding stream and process.

**Planning, Transport & Environment**

57. The Directorate Programme for 2022/23 is £56.410 million with a variance of £9.065 million identified.

**Energy Projects & Sustainability**

58. In May 2019, the Council entered into an agreement to obtain grant funding of £6.628 million for Phase one of the Cardiff Heat Network project from the Department of Business, Energy and Industrial Strategy (BEIS) and this was

4.C.213	Issue 5	Aug 2013	Process Owner: Cabinet Support Office	Authorised: Joanne Watkins	Page 10 of 17 Final
---------	---------	----------	---------------------------------------	----------------------------	------------------------



awarded in March 2021. A further £8.634 million interest free loan has also been agreed between the Council and Welsh Government and this will be passed on to Cardiff Heat Network (CHN) Limited, a special purpose vehicle created with the Council as sole shareholder. In any event that CHN is unable to repay the loan, the risks remain with the Council. In 2022/23, CHN are due to draw down a total of £6.178 million on top of the £2.450 million drawn down in 2021/22. Following resolution of agreements, expenditure is expected to increase in the last two quarters and subject to progress on site, budget may need to be brought forward from future years should the CHN need to draw down additional funds ahead of schedule.

59. A second phase of investment under the REFIT programme is now complete, with projected expenditure for the year covering final invoices and retentions. A total of £1.445 million has been invested over the course of the scheme, into energy conservation measures in the education estate including solar panels, sensors and lighting upgrades. Sites were selected following detailed assessment with the contractor including feedback from phase one and validation of the outcomes by SALIX. The investment will be paid back over an 8-year period from the savings generated from the measures.
60. The One Planet Cardiff Strategy is a strategic response to the climate emergency and includes a range of actions which together, form the basis of a delivery plan to achieve carbon neutrality across the city. As well as strategic projects mentioned above, the Council in 2021/22 allocated £3.9 million over 5 years towards capital investment and match funding for smaller schemes to support the strategy. The allocation for 2022/23 is £860,000 including slippage of £360,000. Projects approved include electric vehicle charging at Lamby Way, enhanced food composting facilities in schools, installation of sensors and equipment in schools and buildings including County Hall to support baselining for Carbon data, a low carbon / recycled alternative trial for the A470 Carriageway resurfacing scheme and the implementation and testing of an air source heat pump at Thornhill Primary School. Slippage of £200,000 is assumed, primarily for the latter scheme whilst external design works are commissioned.

### **Bereavement & Registration Services**

61. The segregated capital asset renewal allocation for bereavement services totals £190,000 for 2022/23, including £95,000 of slippage from 2021/22. Full expenditure of this allocation is forecast, including on site infrastructure improvements, new vehicles and plant.

### **Highway Maintenance**

62. The approach to carriageway and footway maintenance adopts numerous repair and improvement treatments including localised patching, preventative and preservation treatments, resurfacing and reconstruction. In combination and when applied at the correct time they can minimise the whole life cost of maintenance whilst maximising the benefit of available budgets across the highway network. The budget available for treatments in 2022/23 including

4.C.213	Issue 5	Aug 2013	Process Owner: Cabinet Support Office	Authorised: Joanne Watkins	Page 11 of 17 Final
---------	---------	----------	---------------------------------------	----------------------------	---------------------------

slippage is £6.017 million, with £1.7 million vired towards the cost of city centre highways resurfacing schemes linked to wider public realm projects.

63. Current projections suggest a requirement to bring forward budget in relation to highways and footpaths of £1.674 million from future years to address both an increase in costs and to support earlier intervention to avoid more expensive treatments. Any bringing forward of budgets will need to be managed within the overall five-year capital programme approved. Where there is a permanent change in the level of capital and revenue resources required to maintain condition, these will need to be set out in an updated Highways and Infrastructure Asset Management Plan.
64. Millennium Walkway and lighting refurbishment was completed in 2021/22. The bridges and Structures budget of £1.502 million including slippage will support culvert works at Llandennis Road, Rhydlafer Farm, Aubrey Villas and The Crescent South. Expansion joints at Leckwith Woods Viaduct will be replaced along with ground anchors at the bottom of Rumney Hill. Slippage of this budget continues with £552,000 currently assumed into 2023/24, with options a longer-term plan of priorities to be updated as part of the 2023/24 budget.
65. The street lighting renewals budget is used for new and replacement columns, however in the short term, enhanced budget allocations have been made available to address electrical works on the Eastern Avenue. Implementation continues to be delayed with the design now complete allowing a procurement exercise to commence and be completed in the last quarter of the financial year. Slippage of £800,000 into 2022/23 is currently assumed, subject to the outcome of tenders.
66. Cabinet approved in May 2019, a £5.2 million invest to save business case for all remaining residential columns to be converted to LED. The project had initially been delayed due to internal capacity as well as restricted supply of lanterns resulting from shortages of semi-conductor components, however expenditure during the year has progressed well resulting in funding allocated being brought forward and the project to be completed in the first quarter of 2023/24. Salix Loans approved towards expenditure, will be drawn down by the end of the financial year.
67. As part of a coastal risk management scheme to implement improvements from Rover Way to Lamby Way, Welsh Government grant is being utilised to develop the full business case, identify the preferred option, detailed design and cost estimates to construct coastal defence improvements. Cabinet in September 2022 approved the business case, a revised scope and design and considered the potential significant increase in costs of the scheme which mitigates a key corporate risk. The revised scheme removes the rock revetment along the coast in front of Lamby Way landfill and the erosion protection on meanders Lamby Way roundabout and Cardiff Sailing Club. This change removed protection to infrastructure relating to Lamby Way landfill and associated aspects such as highways and solar farm, which are to be managed as ongoing directorate risks. Funding for the coastal scheme comes from supported borrowing from Welsh Government and a Council

4.C.213	Issue 5	Aug 2013	Process Owner: Cabinet Support Office	Authorised: Joanne Watkins	Page 12 of 17 Final
---------	---------	----------	---------------------------------------	----------------------------	------------------------

contribution. Terms and conditions are to be determined. The Council contribution is expected to be above the levels identified in the Capital Programme, with any additional funding to meet the Council's contribution to be managed using earmarked reserves and prioritisation of unallocated grant. Any further costs more than the estimate will require movement within the existing approved Capital programme including budgets relating to Council maintained assets in Highways. A tender process is underway and subject to this, slippage of £4.196 million is assumed, with only a start on site by the end of the year.

68. A sum of £488,000 Council match funding including slippage has been allocated towards the implementation of flood prevention measures together with Welsh Government grant funding of £1.472 million approved to date in the year. This is for small scale and post storm schemes with only £41,000 match funding likely to be required this year.

### **Traffic & Transportation**

69. The asset renewal telematics budget of £801,000 including slippage is to be used for replacement of obsolete analogue CCTV cameras at various locations with High-Definition digital cameras and completing the replacement of the electronic signage/control system for the North Road tidal flow lane control system and Bute Tunnel entrance electronic signage.

70. The total budget for cycling development in 2022/23, including slippage from the prior year, is £2.741 million. Following a virement of £1 million towards the costs of the wider transport improvements and canal scheme at Eastside, Churchill Way, the balance of cycling budget will be used to match fund Welsh Government grant funded schemes for primary cycleways and to manage changes in construction costs.

71. The Council Road Safety Schemes budget of £335,000 together with a sum of £511,000 Council match funding, will secure a range of grants where match funding is required towards schemes for Local Transport, Safe Routes in Communities and Road Safety as described below:

72. The Welsh Government revised allocation to Cardiff for the Local Transport Fund is £2.370 million. The fund supports development of integrated, effective, accessible, affordable, and sustainable transport systems. Schemes bid for and approved include £1.411 million towards improving sustainable transport and active travel measures in the City Centre, and £959,000 towards the A4119 strategic bus corridor scheme phase 2d.

73. The Welsh Government Road Safety Casualty Reduction grant approval is £89,000, which will support capital projects that reduce road casualties including traffic calming and pedestrian improvements on Thornhill Road.

74. The Welsh Government revised allocation to Cardiff for Safe Routes in Communities Grant of £1.289 million aims to improve accessibility and safety and encourage walking and cycling in communities. There is particular

4.C.213	Issue 5	Aug 2013	Process Owner: Cabinet Support Office	Authorised: Joanne Watkins	Page 13 of 17 Final
---------	---------	----------	---------------------------------------	----------------------------	---------------------------

emphasis on improving routes to and from schools within the Canton and Trowbridge area. The allocation includes the School Streets scheme which is part of a wider programme working with schools to increase the use of active modes for school journeys, through targeted interventions and behaviour change support. School Streets have been introduced in Cardiff to improve safety for vulnerable users outside school gates, in response to safety concerns.

75. The Welsh Government allocation to Cardiff for Active Travel is £9.239 million. The purpose of the fund is to increase levels of active travel, improve health and well-being, improve air quality, reduce carbon emissions and connect communities. Funding will support Cardiff Cycle Superhighways Stage 1 (£6.345 million), Taff Trail upgrade at Hailey Park (£536,000), Active Travel to Schools (£679,000), Roath Park Cycleway (£198,000) and various improvements to the Integrated Cycle Network Plan (£1.481 million).
76. A new Welsh Government grant allocation of £316,000 has been awarded to continue the roll out of a 20mph default speed limit.
77. To comply with the requirement of the Environment Act 1995 – Air Quality Direction 2019, Welsh Government approved grant for a range of agreed measures. Grant will need to be claimed in accordance with terms and conditions, with planned expenditure during 2022/23 including completion of Wood Street and City Centre Eastside.
78. A Welsh Government Grant of £1.511 million has been awarded to support bus stop infrastructure improvements including real time information systems and displays, with expenditure required to take place by 31 March 2023.
79. Following investment of over £9 million, works at Wood Street are planned to be completed in November, with works on adjoining routes of Great Western Lane continuing in parallel. City Centre Eastside includes phase one of the canal and permanent bus priority measures on Station Terrace and Churchill Way, a permanent cycleway and a revised car park routing system. Additional Cardiff Capital Region City Deal Metro Plus grant, of £1.098 million has been approved in the year, with virements from the cycling development and highway resurfacing budgets towards the respective elements of the scheme also costing c £9 million and with an expected completion in the summer of 2023.
80. To mitigate against the impact of the City Centre works in neighbouring areas, the Council has allocated a sum of £4 million, Including slippage the amount allocated in 2022/23 is £2.5 million. Expenditure planned in the year is £1 million primarily in relation to Tudor Street transport and green infrastructure improvement, with slippage of £1.5 million currently assumed towards projects which are subject to design and consultation processes including sites in Grangetown.
81. Following a virement of £300,000 towards the costs of the Eastside / Canal project at Churchill way, the Council Bus Corridor enhancements budget of

4.C.213	Issue 5	Aug 2013	Process Owner: Cabinet Support Office	Authorised: Joanne Watkins	Page 14 of 17 Final
---------	---------	----------	---------------------------------------	----------------------------	------------------------

£174,000 will be used for match funding towards Welsh Government Local Transport improvement scheme (A4119 Corridor Phase 2D).

82. Budget of £225,000 is carried forward from 2021/22 towards development of the transport interchange on the site of the former recycling site at Waungron Road, which is proposed to be delivered in parallel with a housing scheme. Design works in respect to a retaining wall will inform costs as part of a tender process to integrate the proposed transport hub with the residential development. Slippage of £200,000 is currently projected.

### **Resources**

83. The Directorate Programme for 2022/23 is £18.859 million with a variance of £10.201 million identified.

### **Technology**

84. The Modernising ICT budget aims to support digitisation of business processes. The budget for the year of £251,000 is to be spent on schemes including an upgrade of the Building Control IDOX software system and SAP Information Lifecycle Management including General Data Protection Requirements and archiving.
85. A total of £1.341 million is available for ICT Refresh schemes this year, including £541,000 of slippage from 2021/22. Slippage of £200,000 is assumed to allow for any delay in timing of delivery of equipment to be purchased in the year which includes equipment for the relocation of the Alarm Receiving Centre. This budget also covers a range of projects to support ICT resilience, capacity and capability including direct access and hardware replacement.

### **Central Transport Services**

86. The budget for the ongoing Vehicle Replacement scheme, to complete the latest phase for the purchase of new refuse collection vehicles, is £2.306 million this year, all of which is due to be spent. Further opportunities for grant funding will be considered during the year to support infrastructure and to increase the number of ultra-low emission vehicles.

### **Corporate**

87. In respect of the contingency budget of £200,000, this is projected to not be required at this stage, with commitments being managed within existing budgets.

4.C.213	Issue 5	Aug 2013	Process Owner: Cabinet Support Office	Authorised: Joanne Watkins	Page 15 of 17 Final
---------	---------	----------	---------------------------------------	----------------------------	---------------------------

88. The £500,000 Invest to Save budget for small schemes will be reviewed and adjusted in future monitoring reports if schemes are approved during the year.
89. As assumed when setting the 2022/23 budget, Cardiff Capital Region City Deal (CCRCD) is likely to make no drawdown request in year as part of the Council's agreed total £28.4 million Wider Investment Fund contribution to the region. The timing and value of any drawdown is subject to proposed projects being considered and approved by the CCRCD joint committee, but also the different funding streams available to CCRCD to manage expenditure obligations. Slippage of £6.792 million will be reprofiled into future years.
90. The Core Office Strategy has an overall allocation of £9.750 million included in the programme over a three-year period with £6.852 million of this currently included in 2022/23. This funding is to be used towards smarter working, digital infrastructure and building adaptations to allow consolidation into alternative council buildings. Drawdown of this allocation is subject to any expenditure being repaid on an invest to save basis. Expenditure for the year of £4 million is anticipated on reconstruction and fit out of Oak House following its acquisition and the purchase of specialist equipment for the Alarm Receiving Centre (ARC). Following delays in finding a suitable contractor, works are now on site.
91. A contract for the acquisition of webcasting equipment and cabling at City Hall and County Hall was completed in May 2022, with expenditure of £160,000 forecast in 2022/23.
92. A total of circa £8 million is available to the Council to develop a grant scheme for bus operators to expand electric bus fleet use in the city. The approach was agreed by Cabinet in October 2022, with the detailed terms of the scheme to be developed following consultation with operators and required due diligence. The timescale to seek formal applications is by January 2023 and with lead in times for vehicles in the industry, it is assumed any Council expenditure in year may relate to deposits for vehicles only, resulting in slippage into 2023/24.

## Section 106 Schemes and Other Contributions

The table below shows the Section 106 and other contributions forecast to be spent at the time of setting the budget. This has been reviewed by Directorates and is reflected in the new projection at Month 6:

	<b>Budget</b>	<b>Projection at Month 6</b>	<b>Variance</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>

4.C.213	Issue 5	Aug 2013	Process Owner: Cabinet Support Office	Authorised: Joanne Watkins	Page 16 of 17 Final
---------	---------	----------	---------------------------------------	----------------------------	------------------------

Parks & Green Spaces	1,423	1,750	327
Traffic & Transportation	1,202	484	(718)
Strategic Planning & Regulatory	681	34	(647)
Neighbourhood Regeneration	287	105	(182)
Economic Development	54	51	(3)
Education & Lifelong Learning	1,273	2,875	1,602
Public Housing (HRA)	189	200	11
<b>Total</b>	<b>5,109</b>	<b>5,499</b>	<b>390</b>

Some of the schemes included in the profile above are:

- Parks and Green Spaces – Schemes are proposed to be undertaken in several areas and include Adamsdown Open Space, Craiglee Drive and Blackweir woodland footpath improvements, Cogan Gardens, Tatham Road public open space, University Lawn - Cathays Park, and cycle improvements along the Roath Park Corridor. Capacity to deliver schemes continues to be reviewed.
- Traffic & Transportation – Public transport improvements, junction improvements, bus stops and bus borders; installation of CCTV and real time information, telematics and transportation schemes including the provision of bus routes in the city and strategic transport initiatives.
- Strategic Planning & Regulatory – Includes works to university lawns and lighting at Bute Street underpass.
- Neighborhood Regeneration – Improvement / Grants towards various Community facilities, subject to consultation.
- Economic Development – Support for small to medium enterprises in Llanishen.
- Education & Lifelong Learning – Contribution towards various school's projects where in accordance with the agreements.
- Public Housing – Development of new Council housing.

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**A NEW HOUSING DEVELOPMENT PARTNERSHIP.**

**HOUSING AND COMMUNITIES (COUNCILLOR LYNDA THORNE)**

**AGENDA ITEM: 8**

***Appendix B to this report is not for publication as it contains exempt information of the description contained in paragraph 14 and 16 of Part 4 and paragraph 21 of Part 5 of Schedule 12A to the Local Government Act 1972***

**Reason for Report**

1. To approve the implementation of a second Cardiff Housing Partnership Programme including the commencement of a procurement exercise to appoint a development partner.
2. To approve the list of specific development sites to be included within the second partnership programme and a further number of units to be included within the programme to enable a defined development pipeline for the life of the partnership
3. To delegate authority to the Corporate Director for People and Communities in consultation with the Cabinet member for Housing and Communities, to manage all matters relating to the procurement process including agreeing the procurement route, agreeing the parameters and delivery model of a second partnership programme, agreeing the procurement documents, agreeing the evaluation criteria and the evaluation of the bids.
4. To note that following the conclusion of the tender process and the evaluation of the bids received, a further decision will be brought back to Cabinet to give approval to appoint the preferred bidder.

**Background**

5. Demand for affordable housing in Cardiff, in common with other Local authorities in Wales and across the UK, is currently acute. There are over 8,000 applicants on our combined housing waiting list and 1,400 homeless families and individuals in temporary accommodation.
6. These pressures are driven by a range of factors including an increasing lack of supply of privately rented accommodation across the city. The

issues facing Cardiff are similar to those being experienced in Cities across the UK with factors such as Local Housing Allowance (LHA) levels playing a significant part in the inaccessibility of the private rented sector for many families and individuals.

7. The Council's Money Advice Team have seen an increase of 169% (from 400 to 1,076) in the number of people making contact in relation to debt advice, in Quarter 1 compared to last year. During 2021/2022 the team supported 1,368 people who were in rent arrears, preventing them from becoming homeless. There are concerns that further increases in the cost of living will add significantly to the housing stress being felt by those struggling to balance household budgets.
8. The present situation is compounded by emerging and significant short - term pressures linked to recent global events where a significant number of those seeking sanctuary in Cardiff require short term support to meet immediate needs.
9. The Council is proud of its housing development programme that is delivering new high quality, energy efficient homes across the city to help increase the supply of affordable housing. Several delivery routes are currently in operation including:
  - Cardiff Living Partnership programme with Wates Residential
  - Additional build programme (development sites being delivered on an individual basis & independently to the Cardiff Living Programme)
  - Direct property purchase
  - Package Deals
10. The overall housing development programme is the largest council led development programme in Wales and has the capacity to deliver at least 4,000 new homes consisting of at least 2,800 new council homes and 1,200 homes for sale. The programme includes 60 confirmed sites. Of these, 26 sites are currently being delivered through Cardiff Living and the remainder of the sites are being delivered outside of the Cardiff Living partnership as individual projects.
11. Current housing pressures mean that we are being challenged to deliver new homes more quickly, be more innovative in our approach to development and be more flexible within our new build programme to enable us to adapt effectively to changing housing needs & pressures.
12. The development programme and the identified sites within it also presents an opportunity to invest in our local communities and in some cases expand our schemes to provide a range of services and facilities – investing in more than just homes and helping us to deliver services in a more efficient and cost-effective way.
13. The programme is increasingly meeting identified accommodation needs in relation to Children's Services and Adult Services including the delivery of new specialist and supported accommodation.

14. The housing development programme also delivers wider benefits to the city and to the Cardiff capital region. With an estimated value of over £950 million the programme provides significant social value and local investment including supporting local supply chains and contractors.
15. The council's first Housing Partnership, The Cardiff Living Programme, is an award-winning development partnership between Cardiff Council and Wates Residential. Wates were appointed as partner developer in 2016 following a Competitive Dialogue process. The programme will deliver around 1,500 new homes, circa 800 council homes and 700 homes for sale. The value of the programme is in the region of £320 million with a shared vision for quality and low carbon standards. Of the 26 sites held within the programme 10 have been completed with a further 5 on site.
16. Cardiff Living is recognised as an innovative development programme identified as good practice by Welsh Government. The partnership approach has reduced delivery risk and improved the speed of process taken to get projects on site. The programme has also unified the standard of the council homes and homes built for sale by adopting a 'tenure blind' approach.
17. The experience of our Housing Partnership arrangements, when compared to the more traditional delivery mechanisms employed for a number of our additional development sites has provided strong evidence of the benefits of delivering the remaining sites in our programme through a new partnership arrangement.
18. Savills have been commissioned by the Council to help set out the delivery options and structure for a second partnership. This includes:
  - Providing advice on the different procurement routes available.
  - Undertaking a viability and costing exercise for the sites identified for a second partnership.
  - To explore partnership structure options and consider the risk and reward parameters of those options. This will assist in identifying how more value could be delivered through a partnership programme
  - To advise on potential collaboration options.
  - To provide a procurement timetable to inform the management of the procurement process

## **Issues**

19. Currently market conditions are challenging including significant material price increases, rising energy costs, shortages around the supply of labour and materials and uncertainty around borrowing and financing. It is likely that market conditions have impacted to limit the number of contractors who have bid for our projects outside of the Cardiff Living programme.
20. Experience so far of procuring schemes on an individual basis is that it is a slow and resource intensive process. Some schemes have elicited very little interest and in one procurement there were no tender returns. In

addition, the management of a large number of individual procurements is resource intensive with a significant reliance on consultants to help take a scheme through the design stages to planning, out to tender and then on to site.

21. The experience of the housing partnership has shown that once a development partner has been procured the pipeline of projects moves forward more swiftly supported by a key project team employed by the development partner. Additional benefits include:
- A better use of internal resources
  - Ability to innovate and respond swiftly to changing housing need and market conditions
  - Better certainty of delivery.
  - Better value from our land and resources
  - Shared risk and reward
  - Consistency of quality from site to site
  - A much larger programme of social value within our local communities
  - Speed of delivery

#### **What can a Second Partnership look like?**

22. The advice the Council has commissioned sets out the partnering options open to us along with suitable procurement routes. In summary the procurement options are:
- **Open** - fastest route, but no opportunity for negotiation
  - **Restricted** – useful when you have a very large number of tenderers but again, no negotiation
  - **Competitive procedure with negotiation** - all negotiation to be completed prior to final tenders
  - **Competitive Dialogue** - allows the proposals to be refined during dialogue and negotiation following final tenders.
23. Either a competitive procedure with negotiation or competitive dialogue is likely to become the preferred procurement option. Both will enable the bidders to help shape the final partnership arrangements enabling the council to access the expertise from developers and to agree an arrangement that provides the best solution for both parties. This process generally worked well when the Council procured the Cardiff Living Partner, although was very lengthy. Timings can be accelerated by ensuring clarity of objectives and specified minimum requirements from the outset and with these in place, along with a robust project team, it is considered that a process of competitive dialogue or competitive negotiation could be completed within 12 months.
24. The presentation in **Appendix A** provides more details of the options that will be considered in taking forward the new partnership programme.
25. Currently the Cardiff Living Programme is delivered through an overarching Development Agreement (DA) with each site being drawn

down individually and managed by separate JCT contracts. The Council retains ownership of the land and Wates build under licence to the Council. Wates finances the private homes and markets them for sale in return for a profit. The agreed profit and overhead margins are set within the DA and the council gets a share of the sales value as a land value which in turn helps to subsidise the affordable homes.

26. The council's current role in the Cardiff Living partnership includes;
  - Land assembly
  - Funding the new affordable homes
  - Stakeholder and Political engagement
  - Inputting into the planning and design processes
  - Acting as lead partner to Wates
  
27. The wider roles that can be considered through a second partnerships include;
  - Taking a larger role in the funding of homes for market sale, potentially funding the market sale homes in full for a full return of the sale profits or part funding for a larger share of the sales profits.
  - Developing an opportunity for the General Fund to fund the delivery of homes for private rent on suitable sites as an investment opportunity for the council in order to provide a long-term return for that investment.
  - Adopting a more open book approach and risk sharing methodology to better manage unknown aspects of development and improve the returns to the Council.
  
28. Using lessons learnt from the Cardiff Living programme, the structure of a second partnership and the proposals released to the market should ensure:
  - that a robust set of baseline development costs are obtained along with a clear method of benchmarking all projects in the programme back to the tendered costs
  - a clear method and procedure for including additional sites within the programme is adopted – setting in place suitable parameters for this within the scope of the procurement
  - Innovation can be encouraged, promoting the use of modern methods of construction (MMC) where appropriate and enabling different construction methods to be considered on a site-by-site basis
  - Driving more value out of the programme and a better return to the council for its land & resources by adopting a risk/profit sharing approach
  - That the programme is delivered at scale and pace
  - The Development Agreement is flexible enough to reflect ongoing and unforeseen changes to policies and requirements associated with the development of new homes.
  
29. To ensure that a second Partnership is an attractive proposition for suitable development partners it is imperative that a suitable pipeline of development sites are included. The programme needs to have volume

in unit numbers and sites able to deliver homes for sale. The majority of the sites being proposed are already identified within the approved development pipeline and have been profiled within the HRA Business Plan.

30. Two additional and significant sites have been included and these add both scale and market sale opportunity to the programme overall. The list of sites is Provided in **Appendix B** along with the viability assumptions and likely development costs identified within the business case. The sites identified so far have the potential to deliver circa 1,700 new homes.

### **Opportunities for Collaboration**

31. A second Partnership Programme could be structured to enable collaboration. Two opportunities have been identified which are detailed below. Collaboration could allow additional sites and development opportunities to be included within the programme, making it more attractive to Bidders and bringing in additional value and opportunities – such as an increased programme of social value and more strategic partnerships.
32. Discussions have taken place with the Vale of Glamorgan Council regarding a collaboration opportunity for the Vale to include a number of their own development sites with the second partnership. These sites could deliver around 475 new homes. If this were to happen a single Design Guide and Development Specification would be agreed to ensure homes are built to the same standards across the entire programme. This could bring additional benefits in a number of ways including;
  - Increased volume making the programme more attractive
  - Increased social value and more opportunities to develop long-term training and employment opportunities
  - Knowledge sharing across the Partnership
  - Potential to share resources
  - Increasing the supply of affordable housing across the region
  - Economies of scale & potential for cross-subsidy
33. Should the decision be made for collaboration between Cardiff and the Vale to take place a tender could be structured to enable Contractors to bid for 1. Cardiff's Programme, 2. the Vale's programme or 3. Both programmes combined.
34. A second opportunity for collaboration could be with Welsh Government and include the release of Welsh Government land in Cardiff for housing development. Welsh Government have recently undertaken a pilot land release for housing exercise in the Vale of Glamorgan to increase the supply of new housing, releasing land with minimum requirements in place regarding the quality and sustainability of the new homes across all tenures– a vision which very much aligns with our own. It could be possible for land earmarked for release by Welsh Government for affordable housing could be included and delivered within Cardiff's second Partnership programme.

## Resources

35. In order to deliver a second Partnership Programme, it is imperative that adequate resources are in place to support the Development team. Within the Development Team a dedicated Project Manager and Project support will be required to manage the development of a second partnership as well as a procurement exercise, however the following will also be needed:
- **Legal** – drafting of Development Agreement, contract structure, procurement advice.
  - **Procurement** – managing the procurement process, drafting procurement documents, dealing with clarifications.
  - **Cost consultants** – Helping to structure tender packs, evaluation of costs, viability advice.
  - **Finance** – assessing bids, profiling Capital, helping with viability assessments.
36. If there are insufficient internal resources in these areas these gaps will need to be filled by external consultants.

## Local Member consultation

37. The majority of sites identified for inclusion in the second housing partnership have previously been considered and approved by cabinet through the Annual HRA Business Plan. Ward Members have been advised of the detail of the new additional sites. As the programme implementation will extend over around 10 years there will be on-going ward member consultation in relation to specific individual site progress as has been the case with the Cardiff Living Partnership.

## Reason for Recommendations

38. To set out the rationale behind implementing a second Cardiff Housing Partnership Programme in order to deliver new homes at scale and pace as opposed to delivering sites on an individual basis.
39. To obtain approval in principle to deliver the pipeline housing development sites identified within this report through a second partnership.
40. To approve the commencement of a procurement exercise to identify a preferred development partner. Delegating authority to the Corporate Director for People & Communities to manage all aspects of the procurement process including the agreement of the procurement route and refining all aspects of the documents, evaluation criteria and the process.
41. To enable the creation of a project team to deliver a second partnership including the appointment of external support as necessary.

## **Financial Implications**

42. As part of any procurement a financial evaluation of any chosen supplier will need to be undertaken to ensure any supplier strength and capacity of the supplier to deliver the obligations under any partnership.
43. Design standards and scope of projects will need to be set out and agreed at an early stage so as many elements of the project as possible are subject to the tender and competitive process to ensure value for money.
44. A number of sites proposed are in the current capital HRA investment programme, however costings need to be updated as part of the further iteration of the programme for 2023/24 to reflect additional cost pressures, timing and resources diverted towards short term measures as such as meanwhile use at the gas works site. In addition, there are sites indicated in this report which are not currently included in the programme as well as those it is not clear as to whether they are surplus sites or where the delivery mechanism may not have been confirmed e.g Atlantic Wharf, Cardiff Pointe.
45. For sites proposed to be included in the programme, it needs to be clear that the council has the skills and capacity to deliver the outcomes, in line with any timescales for Capital receipts expected from relevant sites.
46. The report does not include for members an overall estimate of the proposals at this stage, however what is clear is that unless there is a significant allocation of subsidy grant from WG, the HRA borrowing requirement is likely to rise further to meet the objectives set out in the report. This will be updated as part of the budget report 2023/24 and HRA business plan, with mitigating actions on priorities, where required.
47. Any borrowing needs to be agreed as prudent, affordable and sustainable. Where the council does not have the key tools and control of mitigations to ensure that any future risks to affordability or market changes can be managed and the HRA remain viable, then such risks will need to be clearly highlighted, understood and mitigated.
48. New housing will generate additional income in the form of social housing rents. Viability assessments should be run for all developments at the various stages set out as best practice by the Directorate to ensure such income can meet costs of new development over a reasonable period in line with agreed thresholds. These should be recorded with any changes at each stage documented and approved. Given the scale of expenditure for each individual site, such assessments must demonstrate a robust business case approach, reasonableness of costs and aim to ensure that investment paid for by borrowing can be repaid over a prudent period. It should be recognised that any borrowing is in the name of the Council as a whole.
49. The report sets out potential options for consideration of private market sale. Such activities will increase any short-term borrowing requirement



and associated costs. This will require robust cash flow forecasting and to ensure receipts from sales are received and received promptly as to do otherwise will also increase the level of HRA borrowing requirement until such receipts are received. Any land appropriations nor the valuation of any such appropriations have not been identified in the report. These will need to be agreed by a qualified valuer and also be included in any HRA borrowing requirement.

50. The report refers to earning income from private sector rental investment income. Any such proposals, where within powers to do so, will need to be reviewed to ensure that there is no breach of HM Treasury regulations that prevent local authorities borrowing primarily for yield. Any such breach could result in borrowing restrictions for the whole council from the Public Works Loan Board and be a significant risk to financial resilience.
51. Developing the partnership is likely to result in additional short term revenue costs in delivering the partnership in the form of due diligence, professional advice etc. The estimated costs of this are not determined in this report, but these will need to be resourced by the HRA.

### **Legal Implications**

52. Section 123 of the Local Government Act 1972 provides power to dispose of land for not less than best consideration reasonably obtainable. When determining the value attributable to the proposed partnership/development agreement, the decision maker should have regard to the Council's Acquisition and disposal of Land Procedures rules and the advice of a qualified valuer.
53. Furthermore, the Council is required to comply with the Council's Contract Procedure Rules, the Public Contract Regulations 2015, and Procurement law generally to ensure the Council is obtaining value for money for the provisions of works and /or services anticipated to be procured via the partnership/development agreement.
54. It is noted that a further report is expected to be brought back to Cabinet to make the final decision before awarding the partnership/development agreement and further legal advice can be provided on any specific issues arising from the procurement and disposal of land processes. Prior to making a decision to enter into an agreement consideration should given to the need to advertise the disposal of any sites forming part of an open space, and the appropriation of land for planning purposes to assist facilitating development.

### **Equalities & Welsh Language**

55. In considering this matter the decision maker must have regard to the Council's duties under the Equality Act 2010 (including specific Welsh public sector duties). Pursuant to these legal duties Councils must, in

making decisions, have due regard to the need to (1) eliminate unlawful discrimination, (2) advance equality of opportunity and (3) foster good relations on the basis of protected characteristics. Protected characteristics are: (a) Age, (b) Gender reassignment, (c) Sex, (d) Race – including ethnic or national origin, colour or nationality, (e) Disability, (f) Pregnancy and maternity, (g) Marriage and civil partnership, (h) Sexual orientation, (i) Religion or belief – including lack of belief.

56. When taking strategic decisions, the Council also has a statutory duty to have due regard to the need to reduce inequalities of outcome resulting from socio-economic disadvantage ('the Socio-Economic Duty' imposed under section 1 of the Equality Act 2010). In considering this, the Council must take into account the statutory guidance issued by the Welsh Ministers ([WG42004 A More Equal Wales The Socio-economic Duty Equality Act 2010 \(gov.wales\)](#)) and must be able to demonstrate how it has discharged its duty.
57. An Equalities Impact Assessment aims to identify the equalities implications of the proposed decision, including inequalities arising from socio-economic disadvantage, and due regard should be given to the outcomes of the Equalities Impact Assessment where required.
58. The decision maker should be mindful of the Welsh Language (Wales) Measure 2011 and the Welsh Language Standards.

#### The Well-being of Future Generations (Wales) Act 2015

59. The Well-Being of Future Generations (Wales) Act 2015 ('the Act') places a 'well-being duty' on public bodies aimed at achieving 7 national well-being goals for Wales - a Wales that is prosperous, resilient, healthier, more equal, has cohesive communities, a vibrant culture and thriving Welsh language, and is globally responsible. In discharging its duties under the Act, the Council has set and published well-being objectives designed to maximise its contribution to achieving the national well-being goals. The wellbeing objectives are set out in Cardiff's Corporate Plan 2020 -23.
60. When exercising its functions, the Council is required to take all reasonable steps to meet its wellbeing objectives. This means that the decision makers should consider how the proposed decision will contribute towards meeting the wellbeing objectives and must be satisfied that all reasonable steps have been taken to meet those objectives.
61. The wellbeing duty also requires the Council to act in accordance with a 'sustainable development principle'. This principle requires the Council to act in a way which seeks to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs. Put simply, this means that Council decision makers must

take account of the impact of their decisions on people living their lives in Wales in the future. In doing so, the Council must:

- Look to the long term
  - Focus on prevention by understanding the root causes of problems
  - Deliver an integrated approach to achieving the 7 national well-being goals
  - Work in collaboration with others to find shared sustainable solutions
  - Involve people from all sections of the community in the decisions which affect them
62. The decision maker must be satisfied that the proposed decision accords with the principles above; and due regard must be given to the Statutory Guidance issued by the Welsh Ministers, which is accessible on line using the link below: <http://gov.wales/topics/people-and-communities/people/future-generations-act/statutory-guidance/?lang=en>
63. The decision maker must be satisfied that the proposal is within the Policy and Budget Framework, if it is not then the matter must be referred to Council.

### **Property Implications**

64. Strategic Estates work closely with Housing and Communities on the appropriations of Council land from the General Fund to the HRA Account. Estates encourage the transfer of such land in order to support the ever increasing housing list.
65. Any further appropriation undertaken will need to be sanctioned through the internal valuation process as the delegation for this sits within Economic Development and Estates will need to sanction all land transactions through Head of Property or a separate Officers Decision Reports.
66. Estates will not be advising on the proposed private market sales directly, but will need to sanction the proposed process for managing any disposal from this portfolio. Similarly, if there are private rental investment income being generated, in order to achieve best value, Estates will need to sanction any proposed PRS transaction processes.
67. Whilst not directly involved in the procurement of the second partnership, it is advisable for Estates to be involved in the proposed Project Board to advise on any land transactions processes as necessary.

### **HR Implications**

68. Paragraph 35 of the report sets out the resources required to deliver the second Cardiff Housing Partnership Programme. Additional resources will be evaluated and recruited in line with the Council's corporately agreed processes.

## RECOMMENDATIONS

Cabinet is recommended to:

1. approve in principle the implementation of a second Cardiff Housing Partnership Programme including the commencement of a procurement exercise to appoint a development partner.
2. approve the list of development sites currently proposed to be included within a second partnership programme and approval that more suitable sites can be added into the programme, subject to complying with financial parameters including viability assessments and working within the HRA Business plan.
3. delegate authority to the Corporate Director for People and Communities in consultation with the Cabinet member for Housing and Communities, to manage all matters relating to the procurement process including agreeing the procurement route, agreeing the parameters and delivery model of a second partnership programme, agreeing the procurement documents, agreeing the evaluation criteria and the evaluation of the bids.
4. note that a subsequent report will be presented to Cabinet following the conclusion of the procurement process seeking approval to appoint the preferred Bidder.

<b>SENIOR RESPONSIBLE OFFICER</b>	<b>Sarah McGill</b> <b>Corporate Director People &amp; Communities</b>
	11 November 2022

*The following appendices are attached:*

- Appendix A – Presentation to Cabinet
- Appendix B – Site Detail (Confidential)

# A Second Cardiff Housing Partnering Scheme



Page 315

James Street,  
AHMM  
Early design concept



# Delivering a second Partnership Programme

## What will the report cover?

- What is our programme?
- What is our existing Partnership?
- What is our pipeline?
- How do we deliver other schemes?

Page 316

### Our challenge

- How can we deliver new homes more quickly
  - How can we ensure we deliver in a challenging market?
  - How can we improve the value returned to the council?
  - Can our partnership influence developers in Cardiff?
  - Flexibility of programme
- 
- What Partnership options do we have
  - Outcomes, opportunities & risk appetite
  - Procurement routes & timescales
  - Collaboration options
  - Resources
  - **Key principles**

HOMES  
JOBS  
TRAINING  
COMMUNITY  
INVESTMENT  
SERVICES  
ZERO CARBON  
INNOVATION  
VALUE  
SUSTAINABLE  
PARTNERSHIPS



# Our Development programme:



STRONGER  
FAIRER  
GREENER



Page 317

- ▶ The programme will deliver **4,000 new homes**
- ▶ At least 2,800 council and 1,200 for sale
- ▶ 60 sites – 26 in Cardiff Living
- ▶ Projected overall development value of **£ 1 billion**
- ▶ **The largest Council led development programme in Wales**
- ▶ **Low Carbon, energy efficient**
- ▶ Investing in local communities
- ▶ New Services, facilities & community buildings



# Our First Development programme: Award winning Cardiff Living.



- A development partnership between the Council and national developer Wates Residential
- A development value of £320 million
- Delivery of 1,500 new homes over a 10-year period on 26 sites across Cardiff
- Mixed tenure - The Council and Wates sharing the profit from market sale
- Tenure Neutral
- All of the properties meet high energy efficiency standards, tackling fuel poverty
- Truly innovative - identified by WG as an approach for other Local authorities to follow
- Reduces risk, speeds up delivery and gives us certainty that our programme will be delivered
- Removes the time lag from planning to commencing on site
- Raises the standards across social and market housing
- Delivers much wider benefits for the council including significant social value

Page 318



2019 Integration & Collaboration  
Award winners (Cardiff Living)



2019 Gold winners for best  
starter home scheme



Social Impact  
Awards  
2020

Winners for residential  
([Silverdale](#))



Wates Residential  
Winner of the Climate Crisis  
Initiative Residential Award 2022  
with Cardiff Council

ADEILADU  
ARBENIGRWYDD  
YNG NGHYMRO



CONSTRUCTING  
EXCELLENCE  
IN WALES

Gwobrau 2022 Enillydd

Awards 2022 Winner



# Our Wider Development Programme:

## How do we deliver sites outside of CL?



- Appoint a design team
- Manage the scheme to planning
- Develop tender pack
- Manage tender process
- Appoint contractor
- Act in client role during construction

### Sites being delivered outside of Cardiff Living:

- Caldicot Road
- Ferry Road pods
- Wakehurst Place
- **St. Mellons community centre** Jehu
- **Maelfa** Jehu
- lowerth Jones
- Bute Street
- Canton/Riverside community centre

Page 319

Individual tenders using Sell2Wales or Frameworks such as WPA

Our experience:

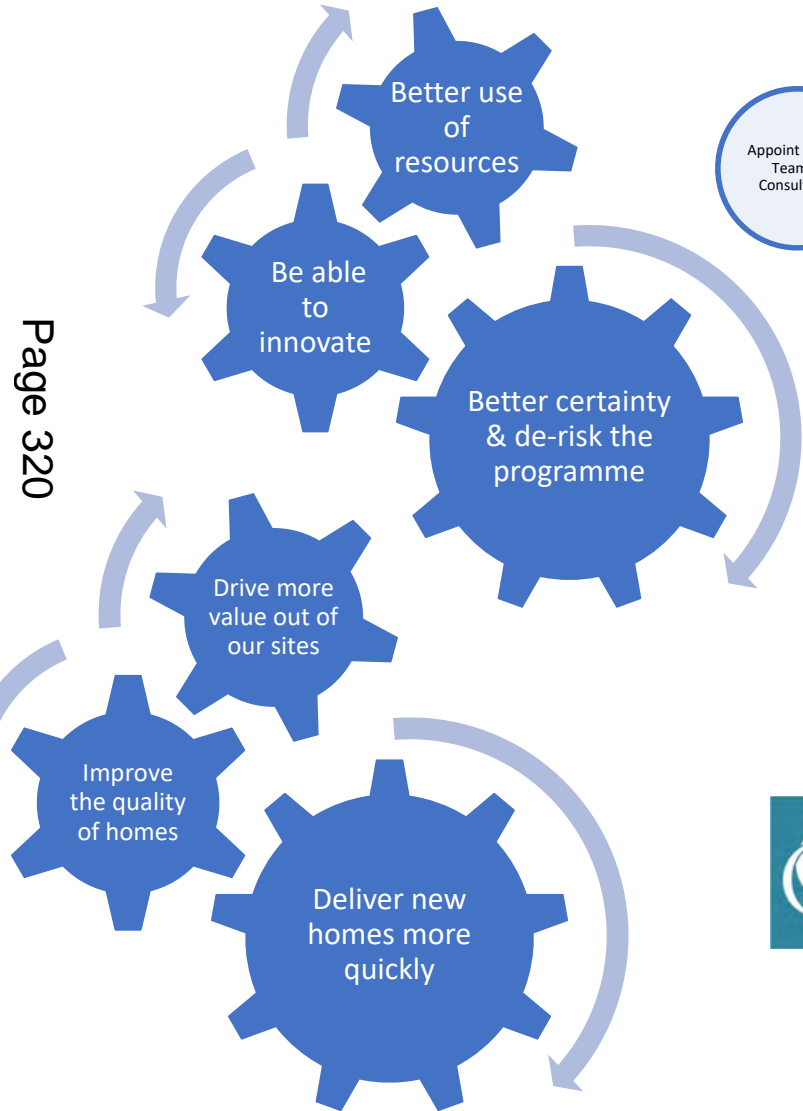
- Tend to be a small pool of medium size contractors bidding
- Market pressures & Capacity
- JEHU/WRW example
- Slow and resource intensive process
- No economies of scale or consistency



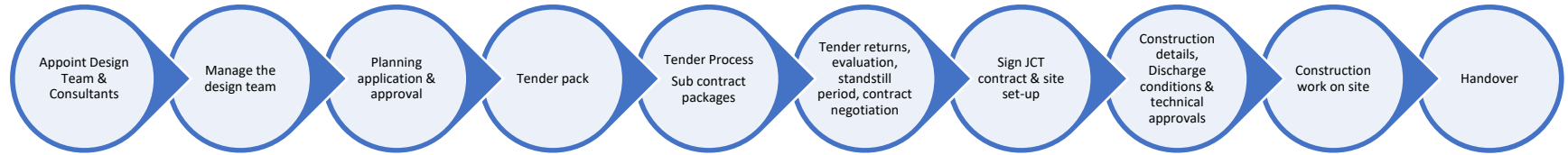
# A second partnering programme: Why choose this delivery option?



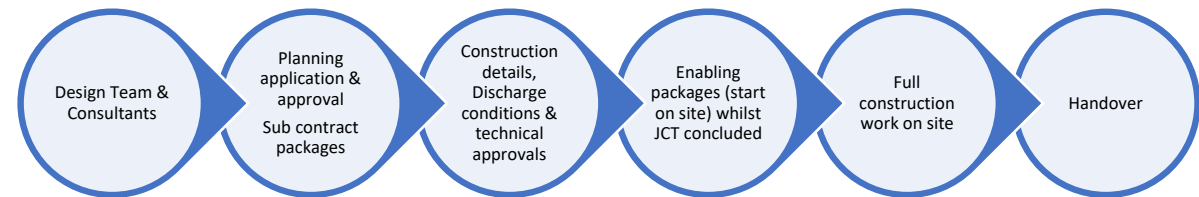
Page 320



## Canton/Riverside community centre



- Consultants appointed July '20
- Planning submitted July '21
- Planning decision Feb '22
- Tender start May '22
- Tender returns Aug '22
- Evaluation, reports, standstill Oct '22
- JCT Contract '22
- Discharge conditions March '23
- Start on site April '23
- Handover April '25



## Reduced stages of Cardiff living

# A second partnering programme: Delivering More: Health & Social Care



Page 321

James Street -  
Intergenerational Living

Community Living  
10 new projects  
£150 million  
Locality based working

Gasworks -  
Community Living  
LD  
Veterans Project

Respite  
Core & Cluster



Early CGI of proposed Plaza, GP, café, hub & community centre at Michaelston site

# A second partnering programme: Council's role in development



## Roles (and risks) the Council is currently undertaking:

- **Promotion** – unlocking the scheme in terms of stakeholder and political engagement
- **Planning and Design** – pre-planning engagement with LPA and prepare initial planning scheme (incurring greater costs associated with surveys / investigations and consultant commissioning) before refinement and further development with Partner
- **Land** – land assembly, delivering vacant possession
- **Funder of new affordable housing** – delivering increased housing supply and generating long term income stream

## Roles (and risks) the Council could consider undertaking in delivering the schemes:

- **Part or full funder of market sale housing** – share in development risk and receive developer profit
- **Offering collaboration opportunities for other councils** – can other councils add sites into our programme, can the Development team manage delivery for other Council's?

The Council needs to consider it's funding capacity, risk appetite, expertise and revenue generation requirements in the context of its objectives and the scheme profiles to decide the extent to which it takes on the above roles / risks.

# A second partnering programme: What delivery options do we have?

DELIVERY ROUTE	CRITERIA					
	Ability to control housing delivery (types, price point)	Ability to control economic/social outputs	Exposure to market risk	Need for direct capital investment	Commercial return	Need for property development expertise/resource
1. Land sale without planning consent	LOWER	LOWER	LOWER	LOWER	LOWER	LOWER
2. Land sale with planning consent						
3. Development Agreement						
4. Partnering / Joint Venture (corporate or contractual)						
5. Direct development	HIGHER	HIGHER	HIGHER	HIGHER	HIGHER	HIGHER

Cardiff Living currently adopts a Development Agreement through a Partnering Arrangement

# A second partnering programme: What delivery options do we have?



## DEVELOPMENT AGREEMENT

### Key Disadvantages / Risks

- Often considered more appropriate for simpler development schemes, where key project risks are well understood and / or manageable
- Less control – retains some controls around timings, quality but mainly influencing matters relating to the Affordable Housing (although can retain some control via the development brief).

### Key Opportunities / Rewards

- Benefit of collaboration throughout the project
- Greater certainty over delivery - parameters for partnership must be well-defined prior to entering into contract, meaning the Council could set out specific timescales for the development programme
- Development risks (e.g. slowing in sales income) passed on through the contract
- Ring fenced price for the affordable housing
- Aside from land assembly costs and any initial planning work, limited capital outlay – Lower financial exposure

## JOINT VENTURE

### Key Disadvantages / Risks

- Delivery and market risks need to be borne by the Council equal to the Council's stake in the JV (50% of risk borne in case of 50/50 JV)
- Requires substantial capital outlay (Council's investment at risk)
- Requires investment in resource to jointly manage the JV
- Can take longer to negotiate and enter into contract compared to a more traditional DA arrangement

### Key Opportunities / Rewards

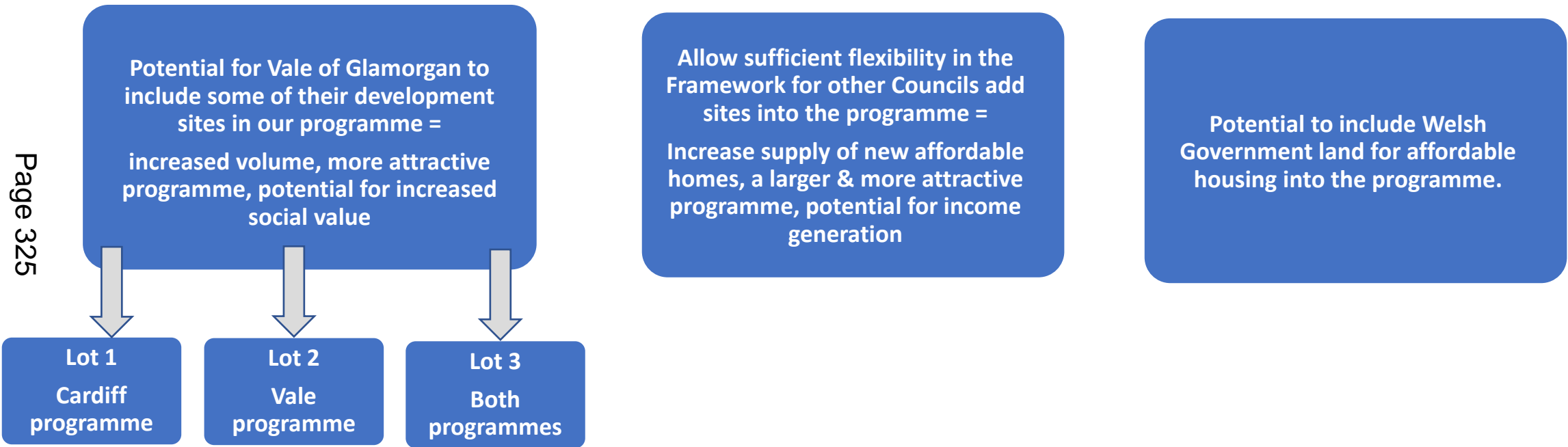
- Greater contractual control over outputs post-contract
- Potential to capture greater financial reward through developer profit share
- Potential to access lower construction costs (depending on Developer and the supply-chain discounts they could bring to a JV arrangement)
- Opportunity for genuine risk sharing
- Pooling of expertise – benefits drawn from both partners, e.g. supply chain efficiencies from developer and political influence from the Council
- Benefit of collaboration throughout the project – long term relationship allows development of well-considered and sustainable project strategies

A hybrid of the two options? - Not going to the extent of a full Joint Venture but increasing our risk/profit profile?

# A second partnering programme: Opportunities to Collaborate



A second partnership programme could be structured to offer opportunities for collaboration:



Wider collaboration would be market leading and increase the supply of affordable housing and also bring rewards for the partnership. A larger programme could realise increased social value.

# A second partnering programme: Procurement Route



## Procurement Routes:

- **Open** - fastest route, but no opportunity for negotiation
- **Restricted** – useful when you have a very large number of tenderers but again, no negotiation
- **Competitive procedure with negotiation** - all negotiation to be completed prior to final tenders
- **Competitive Dialogue** - allows negotiation following final tenders

The next Partnership will most likely follow either the competitive procedure with negotiation or the competitive dialogue. The competitive dialogue may provide more flexibility in terms of allowing final negotiations post tender, to address any issues raised prior to legal close.

Timings can be accelerated by having clear objectives and the Council's 'red lines/non-negotiables' from the outset but this can be done **within 12 months**

Competitive Dialogue will allow us to discuss our requirements with Bidders during the procurement process and 'refine' the solutions up to final submission stage – getting the views of the market.



# A second partnering programme:

## Resources needed



- Development team will provide a lead officer & project management.
  - Dedicated Project Manager
  - Project Support
- Additional resources required:
  - **Legal** – drafting of Development Agreement, contract structure, procurement advice.
  - **Procurement** – managing the procurement process, drafting procurement documents, dealing with clarifications.
  - **Cost consultants** – Helping to structure tender packs, evaluation of costs, viability advice.
  - **Finance** – assessing bids, profiling Capital, helping with viability assessments.

Although some internal resources will be available it is like some additional external support will be required – particularly if we want to complete the process within 12 months.

# A second partnering programme: Outcomes & key Principles



Page 328



- Less resource intensive
- Increased collaboration
- Flexibility of programme – innovation
- Reduce time lag from planning to start on site
- De-risk the programme
- KPI's & Break clauses

More sustainable, affordable homes for Cardiff  
A bigger programme of Social Value

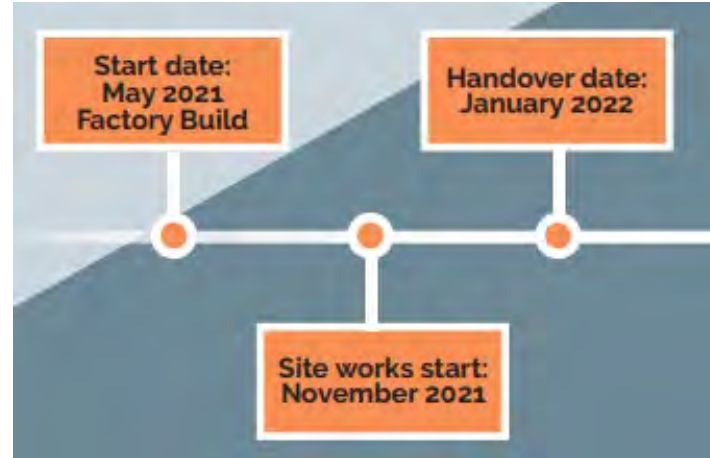
# Our Development programme, repeating our success: Croft Street : 9 modular Council Homes

Croft Street : 9 modular Council Homes

Wates



Contract value: £3,311,304.24  
Anticipated programme: 8 Months  
IHP Funding Grant: £1,451,624



- Delivered at Pace
- Less disruptive
- Highly energy efficient
- Excellent quality control
- Completed January 2022
- Cardiff's first SAB approval!

Page 329



# Our Development programme: Croft Street : 9 modular Council Homes

Wates



Page 330



# Our Development programme: Eastern High – award winning, net zero ready.

Wates



- 214 homes in total
  - 149 Homes for Open Market Sale (6 LCHO)
  - 21 Homes for affordable rent
  - 44 Elderly person Community Living Apartments (Addison House)
- Innovative Housing Program Funding - Net Zero Carbon at Scale
- All properties meet the same standard
  - Tenure blind
  - No fossil fuels
    - Ground Source Heat Pumps
    - Solar PV
    - Batteries
    - EV charging points for every home
- Welsh government grant of £4.5 million
- Testing the sales market for low-carbon homes at scale
- Addison House, our first older person community living project – another 10 to be built!

Page 331



# Our Development programme: Eastern High – award winning, net zero ready.

Wates



## Innovation:

- 5 year training HUB with C&V college & Council's into work team
- Highly energy efficient = lower utility bills for residents
- Demand for homes to buy on this site has been exceptional with over 500 people register an interest to buy
- This must be our new **'Minimum Standard'** for our sites
- Innovation recognised with the 2022 RESI award for Climate Crisis Initiative – best scheme in the UK!

Page 33



# Channel View redevelopment – phase 1



**STRONGER  
FAIRER  
GREENER**



Replacement of an existing sheltered housing scheme  
81 x 1 and 2 bed flats  
Planning Approved December 2021  
Out to tender

[Channel View \(amityplanning.co.uk\)](http://amityplanning.co.uk)



Page 333



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By virtue of paragraph(s) 14, 16, 21 of Part(s) 4 and 5 of Schedule 12A of the Local Government Act 1972.

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**CARDIFF COUNCIL  
CYNGOR CAERDYDD**



**CABINET MEETING: 17 NOVEMBER 2022**

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**SHARED REGULATORY SERVICES ANNUAL REPORT 2021-22**

**TRANSPORT AND STRATEGIC PLANNING (COUNCILLOR DAN DE'ATH)**

**AGENDA ITEM: 9**

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**Reasons for this Report**

1. To enable the Cabinet to receive and note the Shared Regulatory Services Annual Report for 2021-22.

**Background**

2. In April 2015, Cardiff Council, Bridgend County Borough Council and the Vale of Glamorgan County Borough Council signed a Joint Working Agreement (JWA) for the provision of regulatory services across the three Council areas. The document created the Shared Regulatory Service (SRS) and the SRS Joint Committee.
3. The Cabinet Member for Transport and Strategic Planning and the Chair of the Licensing and Public Protection Committees are the two Cardiff Council representatives on the SRS Joint Committee following appointment by the Council on 26 May 2022.
4. In accordance with Clause 5.1 of the JWA, the SRS is required to produce an annual report that covers the operational and financial performance of the service for the preceding year. The SRS Annual Report covers the period from 1 April 2021 to 31 March 2022 and was approved by the SRS Joint Committee on 28 June 2022.
5. In July 2017, the Council ratified the insertion of a new Clause 5.6 into the JWA to enable each partner authority's Cabinet to receive the SRS Annual Report, for information purposes. This report appraises Cabinet of the decisions taken and functions carried out by the SRS Joint Committee over the preceding financial year, as well as the performance and financial position of the SRS.

6. A copy of the report considered by the SRS Joint Committee on 28 June 2022, which incorporates the SRS Annual Report 2021-22, is attached as Appendix A to this report.
7. The SRS Annual Report 2021-2022 reflects upon the seventh year of operation of the SRS. It outlines the performance of the SRS in 2021-2022, the progress made in achieving the objectives set out in the SRS Business Plan, and the summary revenue account and statement of capital spending.
8. The management of key operational performance is through the Client lead for Shared Regulatory Services in Economic Development.

### **Operational Performance and Implications**

9. The key aspects of operational performance across the region from the annual report are as follows:
  - At the time of writing the SRS Business Plan for 2021/22, there was a sense of optimism that the worst of the COVID-19 pandemic was behind us given the continued roll out of the vaccination programmes and falling infection rates. Nevertheless, the Business Plan was sufficiently realistic to recognise the impact of the COVID response on service delivery to that point in time and the need to keep an open mind on the future direction of the disease. Apprehension about the emergence of new coronavirus variants of concern was borne out with the appearance of the highly infectious Omicron variant in the autumn of 2021, meaning that many key members of SRS staff remained in their secondment roles supporting the various strands of the COVID response until the final lifting of the majority of Welsh Government controls in March 2022.
  - The ongoing pandemic meant that multiple officers across SRS continued in secondment roles during 2021/22. These roles supported the public health initiatives, including the TTP service, enhanced surveillance in relation to care homes and schools, investigation of workplace clusters and monitoring public health measures in the workplace. Our three Joint Enforcement Teams continued in place over the course of the year, working closely with local businesses to ensure compliance with the various levels of COVID restriction. Since September 2020, a total of 29 Environmental Health students have been recruited into the service on a temporary basis to support these areas of work. They have performed incredibly well in challenging circumstances, and it is pleasing to see that as they graduate, a number of them have been successful in being appointed into permanent roles in the SRS. It is hoped that this trend will continue as more graduate in the months ahead
  - Sickness absence levels for 2021-22 were 10.23 days per FTE person. This is an increase on the previous year where absence rates were recorded as 6.32 days per FTE person. It is likely that a number of factors contributed to the lower rate of absence seen in 2020/21 (e.g., social distancing, shielding and almost exclusively homeworking) and these points were set

out in the Annual Report presented to the Joint Committee in June 2021. It is encouraging to note on closer examination however, that the number of short-term days lost has barely risen in 2021/2022 compared to 2020/21, and it is the number of days lost through long term absence that has impacted the overall rate for 2021/22.

- The SRS reported an overall unaudited underspend of £363k against the 2021-22 gross revenue budget of £8.331M of which Cardiff's element was £146k.
- The underspend was predominantly derived from staff savings, particularly in Food Services and Trading Standards due to recruitment issues. This was partly impacted by an overspend in Animal Services due to residual horse accommodation costs incurred in the first few months of the year.
- Operational performance throughout 2021-22 has been reported both to the Joint Committee and to each partner Council through the legacy systems. Performance is gauged normally against the targets set out in the Business Plan. Unfortunately, a number of the targets and actions identified in the plan were not achieved. While all the statutory documents were published on time, the service did not complete many of the proactive programmes. Some of this was due to partner organisations being unable to progress matters, but the primary cause was the realignment of resource toward coronavirus work.
- The SRS may, through the relevant participative Council, prosecute breaches of legislation, particularly in respect of those who flout the law or who act irresponsibly, or where there is an immediate risk to health and safety. In the period, the service has been successful in challenging a range of unfair practices, many of which attracted significant media attention. The time and work required investigating these matters, and the consequences of officers' ability to carry out day to day work whilst these matters are ongoing, is significant.
- The SRS has been active in the Courts and Appendix 3 of the Annual report sets out the successful interventions undertaken in the 2021-22 period.

10. The key operational implications for Cardiff Council are as follows:

### **Public Accountability Measures**

#### **• PAM 023 – Food establishments - broadly compliant (%)**

This measure provides an indication of how well a food business complies with food hygiene legislation. The food industry is responsible for producing and distributing safe food. The Shared Regulatory Service, as the enforcement agency, conducts inspections, ensuring that standards are met through a robust enforcement programme to deal with those who do not comply with standards. Additionally, the business support regimes introduced into the SRS structure play a part in promoting an increase in hygiene standards, examples of that are set

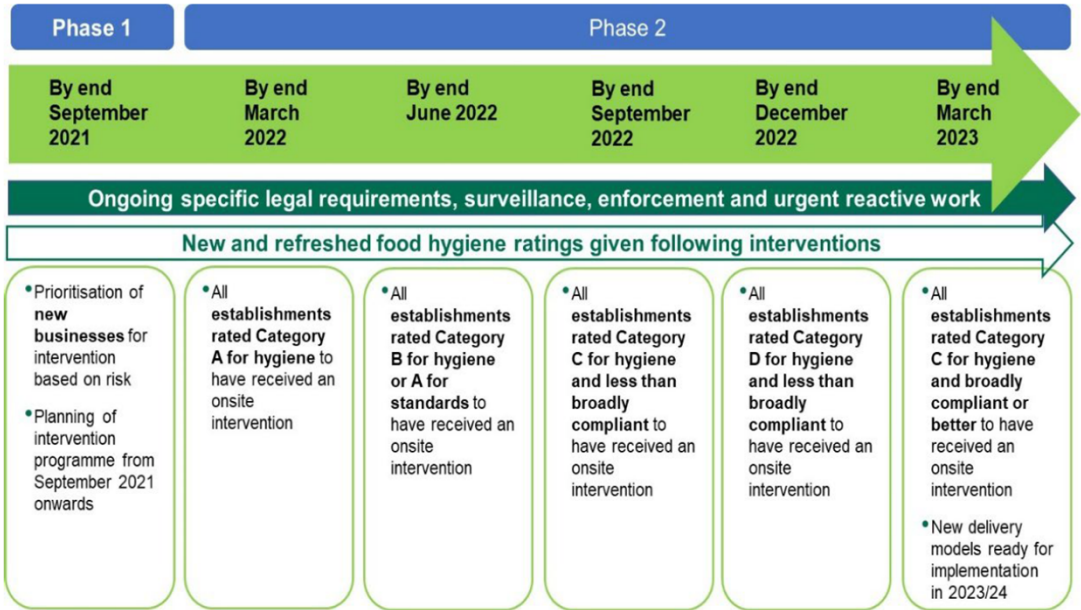
out under the Council’s well-being objective of supporting the local economy. Premises are deemed to be broadly compliant if specified risk scores are achieved for cleanliness, structural issues, and confidence in the management of the business.

The number of premises that are broadly compliant with food hygiene requirements, i.e. scoring 3\* or above, is consistent with the previous year and in line with the UK average of 95%. The numbers associated with this indicator do carry a “health warning” for the year in that many of the premises scheduled for inspection were closed for much of this reporting period and some did not open at all. The number of food businesses with a food hygiene rating of more than 3\* in Cardiff during 2020/21 were:

Cardiff **95.74%** (from **95.41%** 2020-21)

Moving forward, it is important to note that within the SRS region there has been a significant turnover of food business operators; there was over 900 new food business enterprises across the region needing inspection in 2021-22. Many of these new entrants to the market do not attract immediately a broadly compliant rating and that may affect the overall broadly compliant score for the region. Additionally, a focus upon new businesses will impact the traditional risk assessed proactive programme.

Specifically in relation to the Food inspection programme, and recognising the significant pressure faced by local authorities (given the inevitable secondment of key members of staff over the last two years) the Food Standards Agency has implemented a four nations approach through the Recovery Plan shown in the figure below.



- **PAM 013 - Percentage of empty private properties brought back into use**
- **PAM 045 - The number of new homes created as a result of bringing empty properties back into use.**

In Cardiff, SRS presented a new Private Sector Empty Homes Policy 2021-2024 to Cardiff Council's Cabinet, which was adopted. The increased profile of this work due to the adoption of the Policy has enabled the Service to employ two empty homes officers for a further two years. An empty homes working group has been established and is proving useful in shaping corporate working to maximise performance in this context. An action plan has been submitted to Welsh Government which will allow the drawing down of funding to underwrite losses made in any subsequent activity taken against the worst derelict, long term empty City Centre properties. In total, **84 properties** were returned to use or new units created as a result of empty homes work in Cardiff during the last year.

### **Significant Service Achievements against Business Case 2021/22**

#### 11. Improving Health and Wellbeing

- Throughout 2021/22, SRS played a central role in supporting TTP and in delivering the wider enforcement regimes that underpinned the Public Health (Coronavirus Restrictions) (Wales) Regulations. Early 2022 saw the start of a transition where the focus of this work would move away from breaking chains of transmission in the whole population, toward a programme that protects the most vulnerable in society. On 4th March 2022, Welsh Government published its transition plan in which a stepped 'return to normal' approach was set out. While this transition to the long-term steady state phase concludes at the end of June 2022, partners in the public health network commit to maintaining a capacity to respond to any future local outbreaks and to prepare for a resurgence of the virus. Working with partners, SRS now has the necessary arrangements in place to retain the required skill sets within the service for the duration of 2022/23.
- The Shared Service has been working to the Food Standards Agency COVID-19 Local Authority Recovery Plan which applies across the four nations. Covering the 2021/22 and 2022/23 financial years, the aim of the Recovery Plan is to ensure that during the period of recovery from the impact of COVID-19, local authority resources are targeted where they add greatest value in providing safeguards for public health and consumer protection in relation to food. It also aims to safeguard the integrity of the Food Hygiene Rating Scheme (FHRS). The plan provides a route map for re-starting the delivery system in line with the Food Law Codes of Practice for both new food establishments and for high-risk and/or non-compliant establishments while providing flexibility for the inspection of lower risk establishments.

- Following publication of the Building Safety White Paper, a Welsh Government priority remains the establishment of the Joint Inspection Team (JIT), hosted by the WLGA. This remains a work in progress and SRS continues to have a presence on the Steering Group which has been charged with appointing the members of the JIT. It is anticipated that appointments will take place this year to enable a work programme to be drawn up in consultation with all Welsh local authorities and Welsh Government. We will work with the JIT to understand the scale of the issues in high rise buildings in the Authorities that we serve and working in conjunction with Welsh Government prioritise any remediation work to ensure the health and safety of the occupants.
- SRS is represented on the Leaseholder Task and Finish Group which is examining options to help support leaseholders who find themselves in significant financial hardship. Welsh Government is considering options to introduce a scheme to target provision where it is most needed, i.e., those buildings with identified defects where individual leaseholders cannot sell their properties on the open market and find themselves in considerable difficulty due to escalating costs.

## 12. Safeguarding the vulnerable

- During 2021 /2022, a number of significant rogue builder or doorstep crime prosecution cases concluded in court. Sitting behind each of these cases is a story of residents being defrauded of large sums of money, often their life savings. The cases show a pattern of little, or no, work being done, and where work has been carried out, it will have been to a very poor standard. The legacy of COVID-related delays in the court process meant that fewer cases of this type than normal, finally concluded in court. Nevertheless, the impact of the six concluded cases in this category is significant
  - A combined total of nearly 10 years in custodial sentences
  - A 12-month Community Order
  - Compensation of £3080 for some of those affected
  - A number of Proceeds of Crime investigations from which it is hoped compensation for the victims will be forthcoming.

Five of these cases directly related to Cardiff.

## 13. Protecting the environment

- In recent years, there has been a huge increase in demand for pet dogs, particularly the most desirable breeds, and this was only exacerbated during the coronavirus pandemic as families sought 'lockdown buddies'. Huge demand drives huge prices with recent research suggesting that the average going rate for a Labradoodle puppy is now in excess of £1,300, while a French Bulldog costs in excess of £1,700, and an American Bully puppy goes on average for around £2,300. Perhaps it is no surprise that this is an industry that has attracted a rogue element, keen to make quick



profits, with little thought for animal welfare, and in an environment where they perceive there to be a low risk of being caught and punished. This is the world of the unlicensed, illegal dog breeder.

- SRS has received an unprecedented volume of complaints and enquiries about unlicensed dog breeding. As a service, we are determined to take a firm line against illegal breeding to protect not only unsuspecting purchasers, but to safeguard the welfare of dogs and their puppies, and at the same time create a 'level playing field' for legitimate, properly licensed breeders. The following major investigations into illegal dog breeding that concluded during 2021/22, illustrate the gravity and extent of the problem.
- In a major illegal dog breeding case in Cardiff, a complaint was received about sales of American bully puppies via Facebook. After some investigation, a warrant was executed at the individual's property where 5 breeding bitches and 3 male dogs were found, as well as 8 puppies. All but two of the puppies had recently had their ears cropped, a practice classed as animal mutilation and prohibited by the Animal Welfare Act. During the course of the investigation the scale of the defendant's illegal trading was established with the finding that he had registered 67 dogs at one local veterinary practice alone. The defendant was sentenced to a total of 16 weeks in custody with immediate effect, fined £1200 and ordered to pay costs of £9775. He was also banned from keeping animals for a period of 8 years, with no right to apply for this ban to be revoked for a period of 5 years. In addition, an order was made to deprive the offender of the 8 puppies and 8 adult dogs found at the property.
- During 2021/22, SRS ensured that Bridgend, Cardiff and the Vale of Glamorgan Councils met their statutory duties under part 4 of the Environment Act 1995 by producing the 2021 Annual Progress Report (APR) for each area, and reporting these to the respective Cabinets.
- In Cardiff, the 2021 APR highlighted that no monitoring sites recorded concentrations in exceedance of the annual average objective set for NO<sub>2</sub> of 40 µg/m<sup>3</sup>. The results were indicative of the impacts of the COVID lockdowns and restrictions on pollution levels in Cardiff, which was likely due to traffic volumes having decreased. SRS continues to support delivery of the Cardiff Council Clean Air Plan in line with the additional Legal Direction it received. Work in 2021-22 has ensured delivery of a number of key measures in the Plan, namely implementation of 36 Electric Buses, Retro fit programme of 49 buses, and a taxi lease scheme in conjunction with a 30 day try before you buy scheme with Cardiff Capital Region. In November 2021, Cabinet implemented an interim transportation scheme on Castle Street following approval in June 2021. Work is ongoing to assess the implementation of a permanent scheme on Castle St to ensure long-term NO<sub>2</sub> compliance post COVID recovery and work is ongoing to monitor the impact of the current interim scheme in terms of ensuring compliance is maintained.

#### 14. Supporting the local economy

- SRS has maintained its 28 Primary Authority partnerships over the course of another year in which the trading environment for many businesses continued to be challenging. Discussions are currently underway with some highly respected companies with a view to agreeing additional Wales-only Primary Authority partnerships, with a number of these being household names.
- Following a number of tragic incidents where customers have died as a result of consuming products that they were unaware contained certain allergens, the law on allergen declaration changed on 1st October 2021. The amendment to the legislation, commonly known as 'Natasha's law' requires all products pre-packed for direct sale to have a full list of ingredients showing clearly the presence of any of 14 specified allergens. Pre-packed for direct sale foods are those that are placed in sealed packaging on the premises where they will be sold, before a customer makes their selection. Examples of foods commonly pre-packed for direct sale include sandwiches, wraps and bakery items, but depending on the circumstances, many other foods can fall within this definition.
- In the run up to the change in the law on food allergens, SRS worked with businesses of all shapes and sizes to assist them in complying with the new requirement. In order to support this approach, free online workshops were provided for businesses across Bridgend, Cardiff and the Vale of Glamorgan. The workshops provided local food businesses with an overview of the legal requirements but also provided the opportunity for attendees to ask questions of the SRS Officers delivering the training about the changes in the law, and how the changes would apply to individual businesses.

#### 15. Maximising the use of resources

- The SRS website is supplemented by our social media offerings, SRS Twitter (@SRS\_Wales) and the SRS LinkedIn account. These channels have proved to be a highly effective way of getting information to a large number of businesses and residents.
- The use of the noise app has gone from strength to strength. The app can be downloaded by residents wishing to make a complaint about noise, enabling them to record short bursts of the disturbance and submit to the service to determine if a nuisance has occurred. This approach has been invaluable at a time when noise nuisance complaints increased with more people staying at home, and has enabled complaints to be triaged effectively, thereby ensuring that officers' site visits are prioritised where and when they are most needed.

- As part of the 2021/22 Annual Internal Audit Plan, two audit reviews were carried out in respect of Shared Regulatory Services. The first of these reviews involved an audit of SRS governance and financial controls. Just one issue was identified which needs to be addressed, that of resolving the current recruitment difficulties experienced by SRS. This was reflected in the Management Action Plan with the recommendation that 'The recruitment strategy is reviewed and updated to find solutions for recruitment and selection in the current market'. This review resulted in an audit outcome of 'reasonable assurance' being awarded, meaning that there is a generally sound system of governance, risk management and control in place. The second review involved an audit of the Wales Illegal Money Lending (IML) Grant. No key issues were identified in this audit and the report concludes that a sound system of governance, risk management and control exists, with 'internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited'.

#### 16. Challenges to SRS moving forward

- Over the last two years, the service has engaged with a wide range of partners to play a central role in tackling the spread of coronavirus. The over-riding challenge during 2022/23 will be to balance the need to respond to any resurgence of COVID-19, with the need to respond to other emerging global events while at the same time ensuring a return to 'business as usual work' with. Consequently, the Key Milestones for 2022/23 include:
  - Delivery of the SRS Business Plan 2022-2023 and the associated corporate priorities assigned to the SRS by the partner councils.
  - To support the partner councils and other agencies to manage the impact of any resurgence of Covid-19.
  - To monitor the implementation of new legislation and any requirements imposed by such legislation upon the Service, for example the Welsh Government requirements around Special Procedures.
  - To contribute to the climate change goals in each of the partner authorities through effective enforcement of environmental controls such as those regulating energy efficiency in the private rented housing sector.
  - To consult with staff and develop a recruitment and retention strategy comprising actions for the short, medium and longer term in order to attract, develop and retain skilled staff.
  - Review the agile working arrangements for the service to ensure that technology is being exploited fully to improve service delivery.

## **Reasons for Recommendation**

17. To provide a briefing to Cabinet on the Shared Regulatory Services Annual Report for 2021-22.
18. To comply with Clause 5.6 of the revised SRS Joint Working Agreement; this enables the Cabinet to receive the SRS Annual Report 2021-22 for information purposes.

## **Financial Implications**

19. There are no additional financial implications arising as a result of this report. The SRS Annual Report is a common report to all three authorities which outlines the performance and progress against key business plan objectives for 2021/22.
20. It also sets out the draft unaudited 2021/22 revenue outturn position for the SRS which achieved an overall underspend of £363,000 against the gross revenue budget of £8.331 million. The Cardiff Council share of this underspend amounted to £146,000 with the partnering authorities of Bridgend and the Vale achieving underspends of £142,000 and £75,000 respectively.

## **Legal Implications**

21. The SRS Annual Report is a common report to all three authorities, produced in accordance with Clause 5.1 of the JWA, to update members on the operational and financial performance of the service for the preceding year. There are no direct legal implications for this report.

## **Property Implications**

22. The report does not include any direct property implications.

## **HR Implications**

23. There are no HR implications to be considered in this report.

## **RECOMMENDATIONS**

Cabinet is recommended to note the Shared Regulatory Services Annual Report for 2021-22

<b>SENIOR RESPONSIBLE OFFICER</b>	<b>NEIL HANRATTY</b>
	Director Economic Development
	11 November 2022

Appendix A: Shared Regulatory Services Joint Committee Report, 28 June 2022 –  
*Shared Regulatory Services Annual Report 2021-22.*

*The following background papers have been taken into account*

Council Report, 20 July 2017: Shared Regulatory Services – Review of Joint Working Agreement

Cabinet Report, 6 July 2017: Shared Regulatory Services – Review of Joint Working Agreement

Joint Working Agreement approved by County Council of the City and County of Cardiff - 20th July 2017

Shared Regulatory Services Business Plan 2021-22

Shared Regulatory Services Business Plan 2022-23

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Meeting of:	<b>Shared Regulatory Services Joint Committee</b>
Date of Meeting:	<b>Tuesday, 28 June 2022</b>
Relevant Scrutiny Committee:	Homes and Safe Communities
Report Title:	Shared Regulatory Services Annual Report
Purpose of Report:	To advise members on the performance and financial position of the Shared Regulatory Service for the 2021/22 financial year.
Report Owner:	Head of Shared Regulatory Services Head of Finance, Vale of Glamorgan Council
Responsible Officer:	Director of Environment and Housing
Elected Member and Officer Consultation:	Advice has been sought from the partner Councils
Policy Framework:	This is a matter for the Shared Regulatory Services Joint Committee
<p>Executive Summary:</p> <ul style="list-style-type: none"> <li>• The Shared Regulatory Service (SRS) is a collaboration between Bridgend County Borough Council, the County Council of the City and County of Cardiff and the Vale of Glamorgan Council that commenced on the 1<sup>st</sup> May 2015, and is charged with the provision of Regulatory Services across the three Authorities.</li> <li>• The Joint Working Agreement requires the Head of SRS and the Head of Finance to produce an Annual Report which, once approved by the Committee, is forwarded to the partner Councils.</li> <li>• The report illustrates that the traditional reporting regimes and delivery of some statutory duties have been impacted significantly by the coronavirus pandemic over the course of 2021/22.</li> <li>• The £8.331m 2021/22 gross revenue budget was agreed by the Joint Committee on the 8<sup>th</sup> December 2020 which included an assumed 2.75% pay increase which was partially offset by a 1.9% reduction in the employer's superannuation contribution rate. No further savings were incorporated in the 2021/22 budget.</li> <li>• As a result of the Covid-19 pandemic, the 2021/22 revenue position remained challenging throughout the year, with sustained pressure on the service both operationally and financially.</li> </ul>	

The cost of the increased draw on services was mitigated by additional funding being provided by Welsh Government (WG).

- In 2021/22, £488k was claimed from WG against the Covid-19 Hardship Grant which funds the additional activities undertaken within the Covid Compliance and three Enforcement teams that cover the SRS region. In addition, £616k has been recharged to the Bridgend and Cardiff Councils in respect of the Service's support of the Test, Trace and Protect provision. A further £12k has been claimed against the WG Income Loss Grant during 2021/22.
- As at the 31<sup>st</sup> March 2022, Shared Regulatory Service has achieved an unaudited outturn underspend of £363k against the 2021/22 £8.331m gross revenue budget. This position includes consideration for a special reserve of £148k being created to fund the replacement of ageing vehicles plus the acquisition of operational equipment to support the operational activities plus safeguarding staff wellbeing whilst on operations
- The Draft Shared Regulatory Services Statement of Accounts 2021/22 is presented to Committee, to be signed by both the Chair of the Committee and the Section 151 Officer as Treasurer of the Committee, and to formally invite Welsh Audit Office to commence their audit of the account.



## **Recommendation**

1. That the Joint Committee approves the report, including the Draft Statement of Accounts, and authorises the Chief Executive, Vale of Glamorgan Council, to forward a copy of the report to the Heads of Paid Service for the other partner Councils.

## **Reasons for Recommendation**

1. To meet the requirements set out in Clause 5.1 of the Joint Working Agreement.

## **Background**

- 1.1 Under the Joint Working Agreement, the Shared Regulatory Service (SRS) is required to produce an annual report that covers the operational and financial performance of the service for the preceding year. Clause 5 of the Joint Working Agreement states:

"The Joint Committee shall receive in each year at its annual meeting which shall be held no later than 30<sup>th</sup> June the report of the Head of Regulatory Services and the Lead Financial Officer in respect of the functions delegated to the Joint Committee relating to the twelve months ending 31<sup>st</sup> March of that year and a copy thereof shall be forwarded to the Chief Executive of each Participant.

- 1.2 The report shall include:-

- (i) *A statement showing the performance of the Regulatory Service Functions and progress in achieving the Objectives and delivering the Business Plan.*
- (ii) *a summary revenue account and statement of capital spending including the distribution or use of any revenue surpluses and the financing of any capital expenditure"*

- 1.3 This is the seventh report produced under this requirement and covers the period 1<sup>st</sup> April 2021 to 31<sup>st</sup> March 2022. If the content of this report is agreed, a copy of the report must be sent to the Head of Paid Service of each of the three Councils along with the SRS Business Plan for 2022/23. This annual report outlines many of the actions undertaken at each partner Council to deliver the wide range of statutory functions assigned to the Service. The report provides a review of operations across the service, a summary of the financial position, and outlines performance against the 2021/22 service objectives.

## **Operating the Shared Regulatory Service**

- 1.4 The Shared Regulatory Service (SRS) operates across Bridgend, Cardiff and the Vale of Glamorgan. Through a collaborative model, it delivers a range of statutory services, that are critical to maintaining the health, safety and economic wellbeing of local communities. The operating model delivers an integrated service for the Trading Standards, Environmental Health, and Licensing functions, which has three service

delivery sectors focusing upon the customer rather than the traditional professional delivery model.

- Neighbourhood Services: activities relating to residential premises or having an impact on the local community.
- Commercial Services: activities relating to business premises (generally where national standards apply).
- Enterprise and Specialist Services: specialist areas of work and income generating services.

**1.5** As a regional organisation, providing regulatory services across three local authority areas, the SRS seeks to place the corporate priorities and stated outcomes of the three councils at the heart of all its activities. Using them as a focus, the strategic priorities for the Shared Regulatory Service of

- Safeguarding the Vulnerable
- Improving Health and wellbeing
- Protecting the Environment
- Supporting the local economy
- Maximising the use of resources

provide a robust base for achieving the outcomes identified in previous business plans and the partner Councils' corporate aspirations. However, over the course of 2021-22, the planned work of the Service was impacted once again by the coronavirus pandemic and the emergence of new variants of the virus. This resulted in SRS continuing to support the Test, Trace, and Protect (TTP) Service across the three Council areas through engagement with high risk settings as well as with the general public; and also in its COVID compliance work to ensure that businesses continued to comply with COVID safety requirements.

**1.6** The Joint Working Agreement, executed in April 2015, and updated in July 2017, underpins the entire service provision. The JWA contains a number of "milestones and requirements". In accordance with those requirements:

- The Wales Audit Office completed an independent financial audit of the service in September 2021; there were no recommendations for improvement.
- The Joint Committee approved the proposed Shared Regulatory Services budget for the 2022/23 period at its December 2021 meeting. The aggregate budget for the service remained at £8.331m, as a result of £134k of service savings being offset by £134k salary costs attributable to the national pay award.
- The Business Plan for 2022/23 is presented for political approval in papers to the June 2022 Joint Committee meeting.
- The Joint Committee will receive an audited statement of accounts for 2021/22 in September 2022.

## **2. Key Issues for Consideration**

**2.1** The 2020/21 Annual Report illustrated that the SRS had delivered the requisite financial savings and delivered the majority of the business plan actions. The Key Milestones set for 2021/22 were:

- *Delivery of the SRS Business Plan 2021-2022 and the associated corporate priorities assigned to the SRS by the partner councils*
- *To support the partner councils and other agencies to manage the impact of Covid-19*
- *To monitor the implementation of new legislation and any requirements imposed by such legislation upon the Service.*
- *To review the impact of the coronavirus on service delivery mechanisms and the achievement of targets against the established performance metrics.*

**2.2** At the time of writing the SRS Business Plan for 2021/22, there was a sense of optimism that the worst of the COVID-19 pandemic was behind us given the continued roll out of the vaccination programmes and falling infection rates. Nevertheless, the Business Plan was sufficiently realistic to recognise the impact of the COVID response on service delivery to that point in time and the need to keep an open mind on the future direction of the disease. Apprehension about the emergence of new coronavirus variants of concern was borne out with the appearance of the highly infectious Omicron variant in the autumn of 2021, meaning that many key members of SRS staff remained in their secondment roles supporting the various strands of the COVID response until the final lifting of the majority of Welsh Government controls in March 2022.

### **Human Resources**

**2.3** The ongoing pandemic meant that multiple officers across SRS continued in secondment roles during 2021/22. These roles supported the public health initiatives, including the TTP service, enhanced surveillance in relation to care homes and schools, investigation of workplace clusters and monitoring public health measures in the workplace. Our three Joint Enforcement Teams continued in place over the course of the year, working closely with local businesses to ensure compliance with the various levels of COVID restriction. Since September 2020, a total of 29 Environmental Health students have been recruited into the service on a temporary basis to support these areas of work. They have performed incredibly well in challenging circumstances, and it is pleasing to see that as they graduate, a number of them have been successful in being appointed into permanent roles in the SRS. It is hoped that this trend will continue as more graduate in the months ahead.

**2.4** Unfortunately, recruitment into certain roles remains problematic, and as in previous years, vacancies have arisen in the structure. While there is no single identifiable cause of staff leaving their roles, some of the reasons given by leavers include the desire to work closer to home, re-evaluation of the work and family life balance, and the attraction of higher levels of pay in the private sector.

- 2.5** Recently, the Directors of Public Protection Wales group presented its '*Building for the Future*' paper to Welsh Government. The paper explains the extent of the Wales-wide regulatory services recruitment crisis as well as the impacts it is having, particularly post-pandemic. The paper makes a number of recommendations for additional investment, as well as specific support to encourage young people to enter pathways into the Environmental Health and Trading Standards disciplines, both of which are currently represented by an ageing demographic. There is a pressing need for SRS to build upon these recommendations, and develop a new recruitment and retention strategy during 2022/23 to identify solutions for the medium and long term. A crucial part of this work will be a staff consultation and the creation of a working group to ensure that input is as broad as possible and that all options are considered.
- 2.6** The year saw a number of SRS staff beginning, continuing and completing further study, and in the coming year, additional opportunities will be identified and uptake encouraged through the performance review process.
- 2.7** Overall sickness absence levels for 2021/22 were **10.23 days per FTE person**. This represents an increase on the same measure for 2020/21 when the overall sickness absence rate stood at **6.32 days per FTE person**. It is likely that a number of factors contributed to the lower rate of absence seen in 2020/21 (e.g., social distancing, shielding and almost exclusively homeworking) and these points were set out in the Annual Report presented to the Joint Committee in June 2021. It is encouraging to note on closer examination however, that the number of short-term days lost has barely risen in 2021/2022 compared to 2020/21, and it is the number of days lost through long term absence that has impacted the overall rate for 2021/22 (the Service has had a number of cases of long term illness). **Figure 1** below provides some context enabling comparison with the pre-pandemic levels of absence seen in 2019/20.

*Figure 1: 2021/22 sickness absence figures compared to those for previous years*

Year	Short term days lost per FTE	Long term days lost per FTE	Total days lost per FTE
<b>2021/22</b>	1.95	8.16	10.11
<b>2020/21</b>	1.68	4.64	6.32
<b>2019/20</b>	3.04	7.19	10.23

The 2021/22 absence figures compare favourably when viewed in the wider context of comparison against the average sickness rates across the partner Councils.

## Operational Performance

- 2.8** Operational performance throughout 2021/22 has been reported both to the Joint Committee and to each partner Council through the legacy systems. Normally, performance is gauged against the targets set out in the Business Plan. Unfortunately,

the ongoing coronavirus response meant that a number of the targets and actions identified in the 2021/22 Plan were not achieved. While all the statutory documents were published on time, the service was unable to complete certain planned activities, due in large part to the continued secondment of key staff into COVID response roles. In anticipation of the Service now returning to much more of a ‘business as usual’ rhythm, a number of these planned activities are being rolled forward into the new Business Plan for 2022/23. The following paragraphs reference the key performance criteria, and thereafter there is some commentary on the activities undertaken during 2021/22 to control and reduce the spread of the coronavirus.

**2.9** The Shared Regulatory Service has a role in delivering on Public Accountability Measures in respect of food establishments (PAM 023) for all three partner Councils, and also for empty homes (PAM 013 and PAM 045) for Cardiff and Bridgend.

- **PAM 023: Food establishments - broadly compliant (%)**

This measure provides an indication of how well a food business complies with food hygiene legislation. The food industry is responsible for producing and distributing safe food. The Shared Regulatory Service, as the enforcement agency, conducts inspections, ensuring that standards are met through a robust enforcement programme to deal with those who do not comply with standards. Additionally, the business support and advice regimes introduced into the SRS structure play a part in promoting an increase in hygiene standards, examples of that are set out under the priority heading supporting the local economy. Premises are deemed to be broadly compliant if specified risk scores are achieved for cleanliness, structural issues, and confidence in the management of the business.

The proportion of premises that are broadly compliant with food hygiene requirements, i.e., scoring a 3\* food hygiene rating or above, is in line with the UK average of 95%, and is consistent with that seen in previous years for each of the local authority areas, as shown in **Figure 2** below i.e.

*Figure 2: Percentage of food establishments ‘broadly compliant’*

Year	Bridgend	Cardiff	Vale of Glamorgan
2021/22	97.38%	95.74%	97.25%
2020/21	97.24%	95.41%	97.53%
2019/20	97.49%	94.84%	97.37%

It is important to note that the 2021/22 figures, as for those seen in 2020/21, come with something of a caveat in that it will take some for the definitive picture to emerge, post COVID restrictions. The significant turnover of food businesses has continued, and there were over 900 new food businesses due for inspection across the region in 2021/22. Many of these new entrants to the market do not immediately attract a

broadly compliant rating and this may have a bearing, in time, on the overall broadly compliant score. In addition, a focus upon new businesses will have an inevitable impact upon the traditional risk assessed food inspection programme.

- **PAM 013 and PAM 045**

PAM 013 measures the *percentage of empty private properties brought back into use*, while PAM 045 measures *the number of new homes created as a result of bringing empty properties back into use*. These indicators have as their core purpose the aim of indicating the reduction in the number of empty properties as a consequence of action by the Councils. The current performance measure guidance sets out the categories of direct action that local authorities can take to bring a property back into use, including

- Grants, loans or other financial assistance
- Enforcement action including statutory notices, and
- Dialogue between the owner and the local authority where progress to restore the use of the property is evident.

Officers from the Shared Regulatory Service contribute a dedicated resource to bringing empty properties back into beneficial use within Cardiff and Bridgend.

In **Bridgend**, SRS responded to 245 new service requests from members of the public, empty property owners and others, requesting advice and support in relation to empty properties. Considerable progress has been achieved over the course of the year in respect of 17 longer term empty properties. The owners of these properties have received assistance mainly using the 5-stage letter process and on occasions may have been subject to the service of an enforcement notice. This has resulted in properties being marketed for sale, in change of ownership, and in renovation works commencing. A total of 115 properties have now been risk assessed and action has been targeted in relation to the 'Top 20' properties for Bridgend. Of these, planning permission for renovation work has been obtained in respect of two, six properties are subject to formal enforcement action and a grant application has been submitted in respect of one.

In **Cardiff**, SRS presented a new Private Sector Empty Homes Policy 2021-2024 to Cardiff Council's Cabinet, which was adopted. The increased profile of this work due to the adoption of the Policy has enabled the Service to employ two empty homes officers for a further two years. An empty homes working group has been established and is proving useful in shaping corporate working to maximise performance in this context. An action plan has been submitted to Welsh Government which will allow the drawing down of funding to underwrite losses made in any subsequent activity taken against the worst derelict, long term empty City Centre properties. In total, 84 properties were returned to use or new units created as a result of empty homes work in Cardiff during the last year.

- 2.10** The detail of performance against all the agreed performance indicators is set out in **Appendix 1**. The continuing COVID 19 pandemic, associated restrictions and fast changing enforcement demands of the Coronavirus Restrictions Regulations meant that once again, our traditional inspection programme was badly impacted in 2021/22.

Specifically in relation to the Food inspection programme, and recognising the significant pressure faced by local authorities (given the inevitable secondment of key members of staff over the last two years) the Food Standards Agency has implemented a four nations approach through the Recovery Plan shown in **Figure 3** below.

**Figure 3: FSA COVID-19 Local Authority Recovery Plan**



- 2.11** The expectation that all Category A rated establishments for Food Hygiene will have received an on site inspection by March 2022 has been achieved by the Service, as has the prioritisation of new businesses for intervention, based on risk. Further detail on the Food Standards Agency Recovery Plan for food interventions is provided in 2.27 below.
- 2.12** Further recognising that many of our traditional performance metrics have been impacted by coronavirus response work, an additional set of performance indicators has been created during the pandemic. The purpose of the infographic included at **Appendix 2**, is to give elected members a flavour of the broad range of COVID related enforcement and advice work carried out by SRS.
- 2.13** The SRS may, through the relevant participant Council, prosecute breaches of legislation, particularly in respect of those who flout the law or who act irresponsibly, or where there is an immediate risk to health and safety. In the period, the service has been successful in challenging a range of unfair practices, many of which attracted media attention. The time and work required to investigate these matters, and the consequences this has on officers' ability to carry out day to day work whilst these matters are ongoing, is significant. The details of all the prosecutions that concluded in the period 1<sup>st</sup> April 2021 to 31<sup>st</sup> March 2022 are set out in **Appendix 3**.
- 2.14** The SRS has continued to support relevant corporate challenges at each Council. In addition to the coronavirus response sustained throughout the 2021/22 financial year, the Shared Service has brought its expertise to the table to support other significant challenges during the same time frame. Thus SRS Officers have been conducting

checks on the suitability of accommodation offered by residents of the three local authorities through the Homes for Ukraine scheme. Other examples of providing corporate support include officers playing a key role in assisting the Councils to deal with the requirements to improve air quality, as well as dealing with the emergence of avian influenza in the wild bird population at a number of park and leisure locations.

- 2.15** Under the Gambling Act 2005, every Licensing Authority has to publish a Statement of Licensing Policy which sets out the principles that it proposes to apply in exercising its functions under the Act. An amended Policy has been taken through each of the Licensing Committees, and these reflect changes in legislation and in guidance from the Gambling Commission.

### **Significant Service achievements**

- 2.16** Paragraph 1.5 above highlights the priority themes for Shared Regulatory Services, and a range of achievements over the course of 2021/22 demonstrate progress toward delivering the outcomes associated with these priorities. The 2022-23 SRS Business Plan reviews these achievements in some detail, while the sections below provide just some examples of the work carried out in the last financial year.

### **Improving Health and Wellbeing**

- 2.17** Improving health and wellbeing is a key priority for Shared Regulatory Services. Work undertaken to ensure that food is safe, that infectious disease, noise, and air emissions are controlled, that risks in the workplace are managed properly, allows people to live in healthy environments. Add to this our activities to ensure the quality of private rented property, the promotion of a safe trading environment and our regulation of licensed premises to ensure they operate responsibly, and it is evident that the work undertaken by SRS is hugely important to the health and wellbeing of the region.

#### ***COVID 19 related work***

- 2.18** Our role in improving health and wellbeing was of course dominated in 2021/22 by the coronavirus response. In May 2021, the Welsh Government began to relax some of the Coronavirus restrictions that had been in place since Christmas 2020. Wales moved from Alert Level 4 to Alert Level 2 in a phased approach to reopening the economy and allowing more social interaction between households. This gradual lifting of restrictions reflected the fact that the virus was still in general circulation, but the vaccine programme was beginning to have an impact. There was a clear reduction in the number of people becoming severely unwell and the infection rate generally was beginning to fall. However, all this was being done at a time when the impact of the new Delta strain of the virus was uncertain.
- 2.19** May 2021 also saw the introduction of “*test events*” at Cardiff Castle and other venues across Wales. These gatherings were sanctioned on the understanding that the organisers and public health authorities would develop safe processes that would enable larger events to take place as restrictions were relaxed further. The events were held successfully, and no significant incidence of coronavirus was associated with them.



- 2.20** Later in May 2021, international travel resumed for *essential purposes* under a traffic light system. People returning from countries classified as red or amber needed to follow isolation and testing rules. Unfortunately, the guidance outlining what constituted an *essential purpose* was not particularly robust and many people travelled to amber and red list countries, particularly India. This brought additional work for the TTP service and the SRS/Police JET teams who were tasked with ensuring that returning travellers followed the isolation requirements. Many did, but a small number did not, and Cardiff in particular saw an early introduction of the Delta variant.
- 2.21** The summer of 2021 saw a phased move to Alert Level 1, which allowed more people to meet outdoors, more events took place, more retail outlets opened and as a result of the vaccine rollout, a relaxation of the controls on socialising indoors. Alert Level 0 followed, meaning that any number of people could meet indoors, including in private homes, public places or at events. All businesses and premises could open, with face coverings remaining a legal requirement indoors in healthcare settings and in commercial premises (other than hospitality premises). Welsh Government continued to advise working from home wherever possible. Fully vaccinated adults, under 18s and vaccine trial participants were exempted from self-isolation if they were a close contact of someone with coronavirus.
- 2.22** Unfortunately, by the autumn of 2021, infection rates began to rise and Welsh Government began a programme of advice and encouragement, urging people to continue to take precautions to protect themselves and others. Welsh Government introduced new restrictions for nightclubs and larger events, and the NHS COVID pass was launched as a pre-requisite for attending certain venue types and sporting fixtures, with this later being extended to include cinemas, theatres and concert halls.
- 2.23** Around this time, the updated Welsh Government coronavirus control plan set out two planning scenarios for the winter of 2021. In the first – ‘Covid Stable’ - Wales would remain at Alert Level 0 with all businesses able to open. The second scenario – ‘Covid Urgent’ - was designed to deal with any sudden changes in the situation, such as the emergence of a new, fast-spreading variants or vaccine immunity levels falling, with the risk of increased pressures on the NHS.
- 2.24** The emergence of the Omicron variant in November 2021 resulted in a significant increase in case numbers, but with the success of the vaccination programme by that time, it became evident that there was a reduction in symptomatic illness, severe disease, hospitalisation and mortality.
- 2.25** Throughout 2021/22, SRS played a central role in supporting TTP and in delivering the wider enforcement regimes that underpinned the Public Health (Coronavirus Restrictions) (Wales) Regulations. Early 2022 saw the start of a transition where the focus of this work would move away from breaking chains of transmission in the whole population, toward a programme that protects the most vulnerable in society. On 4th March 2022, Welsh Government published its transition plan in which a stepped ‘return to normal’ approach was set out. While this transition to the long-term steady state phase concludes at the end of June 2022, partners in the public health network commit to maintaining a capacity to respond to any future local outbreaks and to prepare for a resurgence of the virus. Working with partners, SRS now has the

necessary arrangements in place to retain the required skill sets within the service for the duration of 2022/23.

- 2.26** The preceding paragraphs provide a snapshot of the coronavirus related work undertaken by the service in the last 12 months. The commitment of officers has been incredible, both those working directly on the COVID response and those maintaining, as far as possible, our 'business as usual' work. The following paragraphs highlight just a few examples of this.

***Food Standards Agency / Local Authority recovery plan for food interventions***

- 2.27** As outlined in paragraph 2.10 above, the Shared Service has been working to the Food Standards Agency COVID-19 Local Authority Recovery Plan which applies across the four nations. Covering the 2021/22 and 2022/23 financial years, the aim of the Recovery Plan is to ensure that during the period of recovery from the impact of COVID-19, local authority resources are targeted where they add greatest value in providing safeguards for public health and consumer protection in relation to food. It also aims to safeguard the integrity of the Food Hygiene Rating Scheme (FHRS). The plan provides a route map for re-starting the delivery system in line with the Food Law Codes of Practice for both new food establishments and for high-risk and/or non-compliant establishments while providing flexibility for the inspection of lower risk establishments.

- 2.28** SRS has been following the recovery plan to lead its food business inspection priorities alongside a number of essential interventions, namely

- Reactive work including enforcement in the case of non-compliance
- Managing food incidents and food hazards
- Investigating and managing food complaints
- Sampling, and
- Ongoing proactive surveillance.

***Building Safety***

- 2.29** Following publication of the Building Safety White Paper, a Welsh Government priority remains the establishment of the Joint Inspection Team (JIT), hosted by the WLGA. This remains a work in progress and SRS continues to have a presence on the Steering Group which has been charged with appointing the members of the JIT. It is anticipated that appointments will take place this year to enable a work programme to be drawn up in consultation with all Welsh local authorities and Welsh Government. We will work with the JIT to understand the scale of the issues in high rise buildings in the Authorities that we serve and working in conjunction with Welsh Government prioritise any remediation work to ensure the health and safety of the occupants.

- 2.30** In addition to the above, SRS is represented on the Leaseholder Task and Finish Group which is examining options to help support leaseholders who find themselves in significant financial hardship. Welsh Government is considering options to introduce a scheme to target provision where it is most needed, i.e., those buildings with identified defects where individual leaseholders cannot sell their properties on the open market and find themselves in considerable difficulty due to escalating costs.

## Safeguarding the Vulnerable

- 2.31** SRS contributes toward the safeguarding agendas of the partner Councils by seeking to ensure that children are protected from harmful substances and products, that older and vulnerable people are protected from unscrupulous individuals and traders, that illegal money lending activities across Wales are challenged robustly, and that the public feel safe when using taxis as public transport.
- 2.32** During 2021 /2022, a number of significant rogue builder or doorstep crime prosecution cases concluded in court. Sitting behind each of these cases is a story of residents being defrauded of large sums of money, often their life savings. The cases show a pattern of little, or no, work being done, and where work has been carried out, it will have been to a very poor standard. The legacy of COVID-related delays in the court process meant that fewer cases of this type than normal, finally concluded in court. Nevertheless, the impact of the six concluded cases in this category is significant, i.e.
- A combined total of nearly *10 years* in custodial sentences
  - A 12-month Community Order
  - Compensation of £3080 for some of those affected
  - A number of Proceeds of Crime investigations from which it is hoped compensation for the victims will be forthcoming.
- 2.33** The work of the Wales Illegal Money Lending Unit (WIMLU) in bringing loan sharks to justice has benefitted local communities through the allocation of monies obtained by virtue of the Proceeds of Crime Act (POCA). Over the years, a range of innovative projects and initiatives have been launched with a number of these resulting in a tangible outcome such as community fun days, a school music project and the children's story book '*A Fistful of Feathers*'. Continuing this theme of securing benefits from the 'ill-gotten gains' of loan sharks, a new initiative to encourage responsible borrowing from Credit Unions has been piloted. Known as the 'Near Miss' scheme, the WIMLU worked with the Cambrian Credit Union to identify individuals who narrowly missed out on satisfying the borrowing criteria of the Credit Union, and used a sum of POCA monies to enable them to take out small, underwritten loans. The pilot proved to be very successful, resulting in 28 loans being issued with only 2 defaults, and Credit Union staff reported that the pilot enabled them 'to think differently about loan decisions...and take a more calculated risk'.
- Crucially, all the 'Near Miss' borrowers started savings accounts as a result of their inclusion in the scheme, and some were able to go onto borrow further monies in the safe setting of the Credit Union.
- 2.34** Across the Shared Service, our Licensing teams have adopted the NR3 database, which is part of the National Anti-Fraud Network. This is a database of all hackney carriage / private hire drivers whose licence has been revoked or refused (if a new applicant). This development has been part of a national commitment for Licensing Authorities to use the database to ensure that those who have had their licence revoked by one authority are not able to slip through the net and become licensed in another local authority area.

## Protecting the Environment

**2.35** Protecting the environment is a core strategic priority of SRS. Many of the activities such as water sampling, monitoring air quality, and remediating contaminated land contribute toward promoting a better environment. This in turn means better long term prospects for the health and wellbeing of our communities. The SRS has a key role to play in ensuring society makes best use of existing resources and bringing back redundant/derelict properties into use is an important contributor to both the environment and local community development. SRS has a key role to play in the wider climate change and future generations agendas through its enforcement role on energy efficiency controls in respect of properties and consumer products. The impact of these activities is less apparent in the short term for communities, but has an important role for future generations. In the more immediate term, SRS ensures communities are protected from nuisance and are safer, by investigating noise complaints, and dealing with stray dogs and other animals.

## *Animal Welfare*

**2.36** In recent years, there has been a huge increase in demand for pet dogs, particularly the most desirable breeds, and this was only exacerbated during the coronavirus pandemic as families sought 'lockdown buddies'. Huge demand drives huge prices with recent research suggesting that the average going rate for a Labradoodle puppy is now in excess of £1,300, while a French Bulldog costs in excess of £1,700, and an American Bully puppy goes on average for around £2,300. Perhaps it is no surprise that this is an industry that has attracted a rogue element, keen to make quick profits, with little thought for animal welfare, and in an environment where they perceive there to be a low risk of being caught and punished. This is the world of the unlicensed, illegal dog breeder.

**2.37** Over the course of the year, SRS has received an unprecedented volume of complaints and enquiries about unlicensed dog breeding. As a service, we are determined to take a firm line against illegal breeding to protect not only unsuspecting purchasers, but to safeguard the welfare of dogs and their puppies, and at the same time create a 'level playing field' for legitimate, properly licensed breeders. The following major investigations into illegal dog breeding that concluded during 2021/22, illustrate the gravity and extent of the problem.

**2.38** In the first of these cases, a complaint was received about sales of American bully puppies via Facebook. After some investigation, a warrant was executed at the individual's property where 5 breeding bitches and 3 male dogs were found, as well as 8 puppies. All but two of the puppies had recently had their ears cropped, a practice classed as animal mutilation and prohibited by the Animal Welfare Act. During the course of the investigation the scale of the defendant's illegal trading was established with the finding that he had registered 67 dogs at one local veterinary practice alone. The defendant was sentenced to a total of 16 weeks in custody with immediate effect, fined £1200 and ordered to pay costs of £9775. He was also banned from keeping animals for a period of 8 years, with no right to apply for this ban to be revoked for a period of 5 years. In addition, an order was made to deprive the offender of the 8 puppies and 8 adult dogs found at the property.

**2.39** In the second of the major illegal dog breeding cases concluded during 2021/22, a couple were convicted of breeding dogs without a licence and for multiple animal welfare offences related to the number of litters produced within a short period. The investigation showed that breeding bitches were not given enough time to recover after giving birth to one litter, before being artificially inseminated to produce the next. A warrant executed at the couple's home found 28 dogs in an outbuilding, a laboratory with equipment including a multipurpose centrifuge machine, microscopes, equipment for storing and collecting semen, and for taking blood. A further 30 dogs were discovered at two other properties. Investigations found that the couple bred at least 67 litters between 2014 and 2020 with information on known C-sections indicating that 43 litters had been delivered between 2018 and 2019. One dog had delivered 6 litters within a 4 year period while numerous others were forced to deliver 2 litters in less than a 12 month period. The dogs were registered with 5 different veterinary practices and litters given different names and addresses to avoid detection. The couple were fined a total of £19,000 each, ordered to pay prosecution costs of £43,775.50 and a victim surcharge of £175 each. They were also told to repay a total of £372,531.54 within 3 months in a Proceeds of Crime hearing, or face a 2 year prison sentence.

#### ***Air Quality***

**2.40** During 2021/22, SRS ensured that Bridgend, Cardiff and the Vale of Glamorgan Councils met their statutory duties under part 4 of the Environment Act 1995 by producing the 2021 Annual Progress Report (APR) for each area, and reporting these to the respective Cabinets.

**2.41** In **Bridgend**, the 2021 APR highlighted continued non-compliance of the annual average air quality objective for nitrogen dioxide (NO<sub>2</sub>) at a number of locations within the Park Street AQMA. Work has continued in terms of assessing measures outlined in the Draft Air Quality Action Plan (AQAP) to pursue mitigation that will manage and improve traffic flows through the Park Street AQMA in order to reduce NO<sub>2</sub> concentrations in line with air quality objectives. In March 2022, Cabinet was presented with the preliminary results of the assessment of the key options for Park Street. The modelling results indicate that NO<sub>2</sub> concentrations at the majority of locations will achieve compliance with the annual average air quality objective for NO<sub>2</sub> of 40 µg/m<sup>3</sup> by the end of 2023, including all currently monitored locations within the AQMA. A public consultation on the updated AQAP will now be undertaken to help finalise the Action Plan which will then be reported to Cabinet for approval prior to submission to Welsh Government by the end of September 2022.

**2.42** In **Cardiff**, the 2021 APR highlighted that no monitoring sites recorded concentrations in exceedance of the annual average objective set for NO<sub>2</sub> of 40 µg/m<sup>3</sup>. The results were indicative of the impacts of the COVID lockdowns and restrictions on pollution levels in Cardiff, which was likely due to traffic volumes having decreased. SRS continues to support delivery of the Cardiff Council Clean Air Plan in line with the additional Legal Direction it received. Work in 2021-22 has ensured delivery of a number of key measures in the Plan, namely implementation of 36 Electric Buses, Retro fit programme of 49 buses, and a taxi lease scheme in conjunction with a 30 day try before you buy scheme with Cardiff Capital Region. In November 2021, Cabinet implemented an interim transportation scheme on Castle Street following approval in

June 2021. Work is ongoing to assess the implementation of a permanent scheme on Castle St to ensure long-term NO<sub>2</sub> compliance post COVID recovery and work is ongoing to monitor the impact of the current interim scheme in terms of ensuring compliance is maintained

- 2.43** In the **Vale of Glamorgan**, the 2021 APR demonstrated that no monitoring sites recorded concentrations in exceedance of the annual average objective set for NO<sub>2</sub> of 40 µg/m<sup>3</sup>. Monitoring within the previously declared Windsor Road Air Quality Management Area (AQMA) showed continued compliance concerning the applicable air quality objectives for NO<sub>2</sub>. Work is now underway to ratify the annual data for 2021 in readiness to submit the 2022 APRs, which will assess the result for the data gathered in 2021.

### Supporting the Local economy

- 2.44** The work of SRS has a significant impact upon the local economy in a number of different ways. The provision of timely advice and guidance on regulation can enable businesses to maximise the benefit they derive from the marketplace, and the taking of firm enforcement action against rogue traders and those undermining the *bona fide* trade maintains an environment in which legitimate businesses are able to flourish. At the same time, effective market surveillance ensures 'visibility' of trading practices that would otherwise be hidden, and this is particularly so in regard to the huge increase in online trading in recent years. The SRS role as regulator also extends to providing a fair trading environment for consumers, supporting them to become better informed and confident in their purchasing decisions.
- 2.45** SRS has maintained its 28 Primary Authority partnerships over the course of another year in which the trading environment for many businesses continued to be challenging. Discussions are currently underway with some highly respected companies with a view to agreeing additional Wales-only Primary Authority partnerships, with a number of these being household names.
- 2.46** Following a number of tragic incidents where customers have died as a result of consuming products that they were unaware contained certain allergens, the law on allergen declaration changed on 1<sup>st</sup> October 2021. The amendment to the legislation, commonly known as 'Natasha's law' requires *all products pre-packed for direct sale* to have a full list of ingredients showing clearly the presence of any of 14 specified allergens. Pre-packed for direct sale foods are those that are placed in sealed packaging on the premises where they will be sold, before a customer makes their selection. Examples of foods commonly pre-packed for direct sale include sandwiches, wraps and bakery items, but depending on the circumstances, many other foods can fall within this definition.
- 2.47** In the run up to the change in the law on food allergens, SRS worked with businesses of all shapes and sizes to assist them in complying with the new requirement. In order to support this approach, free online workshops were provided for businesses across Bridgend, Cardiff and the Vale of Glamorgan. The workshops provided local food businesses with an overview of the legal requirements but also provided the opportunity for attendees to ask questions of the SRS Officers delivering the training

about the changes in the law, and how the changes would apply to individual businesses.

- 2.48** Further raising awareness of the change in the law on allergen labelling, SRS worked with the team at Bro Radio to produce the first of an ongoing series of podcasts entitled '*Ask the Regulator*'. The first edition of the podcast focussed on allergens and provides crucial information in a clear, user friendly format for businesses and consumers alike. The allergens podcast can be accessed at <https://www.srs.wales/en/Business-Advice/Podcasts.aspx>
- 2.49** Officers have since released further podcast episodes in the format of discussions between regulators, businesses and members of the public on Safeguarding, Halloween and Bonfire season, Food & Christmas and Health & Nutrition. Such has been the success of the series that more '*Ask the Regulator*' podcasts are planned for 2022/23 on other Environmental Health, Trading Standards and Licensing matters. In addition, a wider audience is now being reached as a result of the podcasts being available through Spotify.

### Maximising the use of resources

- 2.50** Maximising the use of resources was the original catalyst for creating SRS, and work in this area continues. By reducing "triplication" of effort, introducing better processes, making systems work without constant intervention and improving access into the service, our business improves and customer satisfaction increases. Income generating activities like marketing our metrology laboratory, offering paid for advice services, building Primary Authority partnerships and extending our training provision to business are examples of our move to a more "commercial" culture.
- 2.51** The ease with which the public and stakeholders are able to access SRS services has been particularly important in 2021/22 as in 2020/21 as buildings were less accessible and staff worked largely from home. Improvements to the **SRS website** have taken place over the last year, with more planned for near future to ensure that all information is up to date and to ensure the best possible customer journey. During 2021/22, the SRS website had 64,914 users and 177,919 page views. Our noise and air pollution web pages consistently receive the most page views.
- 2.52** The SRS website is supplemented by our **social media** offerings, SRS Twitter (@SRS\_Wales) and the SRS LinkedIn account. These channels have proved to be a highly effective way of getting information to a large number of businesses and residents.
- 2.53** Use of the **noise app** has gone from strength to strength. The app can be downloaded by residents wishing to make a complaint about noise, enabling them to record short bursts of the disturbance and submit to the service to determine if a nuisance has occurred. This approach has been invaluable at a time when noise nuisance complaints increased with more people staying at home, and has enabled complaints to be triaged effectively, thereby ensuring that officers' site visits are prioritised where and when they are most needed.

- 2.54** An essential component of the operating model for SRS was the introduction of technical and mobile working solutions that enable employees to work remotely. This contributed hugely to the early success of the service, but as agile and home working capability becomes the norm for many Council services, it is clear that SRS needs to reposition itself at the cutting edge of mobile technology if it is to enhance its remote working capabilities moving forward. SRS will continue working with staff via the ICT Review working group and ICT services to explore options for improving equipment and systems to ensure that we deliver services both efficiently and effectively.
- 2.55** During both 2020/21 and 2021/22, it wasn't possible to maintain pre-pandemic levels of cost recovery and income generation. There have been a number of reasons for this, however one of the main causes has been the reduction in revenue from the delivery of training courses, as a result of the impact of COVID restrictions on face-to-face teaching.
- 2.56** As part of the 2021/22 Annual Internal Audit Plan, two audit reviews were carried out in respect of Shared Regulatory Services. The first of these reviews involved an audit of **SRS governance and financial controls**. Just one issue was identified which needs to be addressed, that of resolving the current recruitment difficulties experienced by SRS. This was reflected in the Management Action Plan with the recommendation that 'The recruitment strategy is reviewed and updated to find solutions for recruitment and selection in the current market'. This review resulted in an audit outcome of '*reasonable assurance*' being awarded, meaning that there is a generally sound system of governance, risk management and control in place.
- 2.57** The second review involved an audit of **the Wales Illegal Money Lending (IML) Grant**. No key issues were identified in this audit and the report concludes that a sound system of governance, risk management and control exists, with 'internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited'.

### Financial Performance

- 2.58** The Gross Revenue Budget and provisional outturn position for 2021/22 are shown in the tables below, with the position in respect of each of the partners detailed to include both the Core and Authority Specific expenditure positions. The service is reporting an unaudited outturn position of a £363k underspend against a gross revenue budget of £8.331m, as illustrated in the following tables:

Authority	Gross	Forecast	Outturn
	Budget	Outturn	Variance
	£'000's	£'000's	£'000's
Bridgend	1,777	1,635	142
Cardiff	4,812	4,666	146
Vale	1,742	1,667	75



<b>Total Gross Expenditure</b>	<b>8,331</b>	<b>7,968</b>	<b>363</b>
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- 2.59** Multiple recruitment drives were undertaken in the year, however, the Service continued to experience significant issues in attracting appropriate candidates to particular disciplines within the service, which may in part be due to a national scarcity of resource being available. This issue has been amplified further by the impact of Covid.
- 2.60** The Service has continued to work with local universities in the practical support of students who are enrolled on degree courses relevant to the areas within the SRS where there are vacancies. A sizeable number of newly qualified Environmental Health Officers were employed to assist within the Covid Enforcement teams throughout the region, with this initiative being funded by the Welsh Government Covid Hardship Grant during 2021/22.
- 2.61** Where possible, staff have worked from home since the outbreak of Covid, with only skeleton staffing levels at the hubs, therefore achieving compliance with social distancing guidance.
- 2.62** Due to qualifications and specific skills held by SRS employees, a specialist team has been created to support the Test, Trace and Protect (TTP) teams across the SRS region. This however, has placed additional pressure on residual staffing levels and workflows.
- 2.63** A full breakdown of the unaudited outturn position is shown in **Appendix 4**.

### Core Services

- 2.64** The approved gross Core Services Budget for 2021/22 is £5.941m which achieved an overall outturn underspend of £348k. The Core service's budget is allocated in line with the population split across the participating authorities, as illustrated in the following table:

Authority	%	Gross	Forecast	Outturn
		Budget	Outturn	Variance
		£'000's	£'000's	£'000's
Bridgend	22.67%	1,347	1,263	84
Cardiff	56.56%	3,360	3,174	186
Vale	20.77%	1,234	1,156	78
<b>Total Core</b>		<b>5,941</b>	<b>5,593</b>	<b>348</b>

- 2.65** The £286k overspend within Animal Services is predominantly due to residual horse accommodation costs incurred in the first few months of the year. Additionally, £28k has been moved to a specific reserve to purchase a replacement vehicle for the team, which will reduce vehicle costs going forward.
- 2.66** During 2021/22, the volume of complaints of unlicensed breeders and sick puppies has more than doubled. To help address these issues, one team member is

currently on a partial secondment to a Wales wide task force. In the final quarter of 2021/22, the team worked in conjunction with other interested parties where there had been a number of confirmed instances of Avian Influenza within the SRS region.

- 2.67** Environmental Services achieved a £67k overspend, which is predominantly the result of a £50k commitment to replace ageing air quality equipment across the region.
- 2.68** Food Services achieved a £381k underspend, which is a direct consequence of a noteworthy proportion of staff resource being diverted to support TTP activities. Additional Port Health duties were required to minimise the risk of infection through the Airport and Seaports, providing confidence that appropriate action could be taken should infection be identified. Remaining staff resource focussed on ensuring that the targets of the Food Standards Agency recovery programme were met in prioritising inspection of high risk and existing businesses.
- 2.69** Housing Services has achieved an overall overspend of £33k, which is predominantly the result of Works in Default activities which will be 100% recharged back to Cardiff, plus surveys of private and public sector homes to evaluate their compliance with accepted housing standards. Strong performance has seen the empty homes teams of the region exceed the annual performance targets, with considerable progress being made against some of the longer term empty properties.
- 2.70** Health & Safety and Communicable Disease (HSCD) Service achieved an underspend of £96k, which is a direct consequence of the level of support provided to the regional TTP teams for both the Cardiff & Vale plus Cwm Taf Health Boards. The HSCD team have also continued to focus on working within the care sector such as nurseries, care homes and domiciliary care whilst actively participating in multi-agency meetings concerning the impact of Covid in these sectors.
- 2.71** Pollution Services achieved a £37k underspend, which is the upshot of a member of staffing being seconded to lead the Bridgend Covid Enforcement team. An increase in complaints with regard to hospitality venues was identified as being a direct consequence to restrictions being revised. The team worked closely with the enforcement teams to ensure a consistent approach was employed with regard to both noise nuisance and Covid enforcement requirements.
- 2.72** Trading standards achieved an overall £220k underspend, which includes provision of £45k to fund the replacement of two ageing vehicles which will positively contribute towards reducing the carbon footprint of the Service, plus £25k to purchase a number of body cameras to be used by staff whilst on operations.
- 2.73** A senior officer was seconded to lead the Vale's COVID Enforcement team, which compounded issues on staffing within the budget for trading standards provision. There continues to be a national shortage of suitable candidates within this area, and the situation was further exacerbated by the continued secondment of a

senior member of staff to Welsh Government. It is hoped that there will be a return to more proactive work in 2022/23.

- 2.74** The 2021/22 Welsh Government Rentsmart Grants of £66k were built into the SRS budget. The grant forms an element of the Housing Support Grant received directly by the partner Authorities, therefore, as with previous years, the SRS costs will be recouped directly from the partners at year end.

### Authority Specific Services

- 2.75** The approved gross budget of £2.390m in respect of Authority Specific (AS) Services has achieved an overall outturn underspend of £15k, as illustrated in the following table:

Authority	Gross Budget	Forecast	Outturn
	£'000's	Outturn	Variance
	£'000's	£'000's	£'000's
Bridgend	430	372	58
Cardiff	1,452	1,492	(40)
Vale	508	511	(3)
<b>Total AS Services</b>	<b>2,390</b>	<b>2,375</b>	<b>15</b>

- 2.76** The £58k outturn underspend at Bridgend, relates directly to underspends within the Kennelling & Vets plus Licensing Services. Of this sum, the £35k underspend within the Bridgend Licensing Section is the consequence of carrying a temporary vacant post. In addition, Bridgend Empty homes has achieved an outturn underspend of £1k.
- 2.77** Kennelling and Vets achieved an outturn underspend of £22k with activity continuing to perform below target, this is very much consistent with activity levels realised in previous periods.
- 2.78** Despite the notable uptake in dog ownership during 2021/22, the number of dogs being presented as homeless to the service has remained on par with previous periods. However, it should be noted that the number of dogs signed over to the kennels by owners has increased as a result of homeworkers returning to their offices.
- 2.79** Overall, Cardiff achieved an outturn overspend of £40k.
- 2.80** Cardiff Licensing Section has achieved an outturn overspend of £105k, which is consistent with the outturn position of this unit in previous years. There are overspends within both the Employee and Supplies & Services sections. The position is partially offset by underspends across the other headings within Cardiff Authority Specific Services.

- 2.81** HMO Cathays and HMO Plasnewydd have achieved a combined £46k outturn underspend, which is due to staff changes and a reduction in operational costs incurred in the year.
- 2.82** The Student Liaison Officer achieved a £13k outturn underspend which was driven by a change in staff plus a reduction in operational costs incurred to date. The officer has continued to work together with other associated bodies to develop and disseminate guidance for students in respect of Covid related restrictions.
- 2.83** The Night Time Noise team achieved a £1k outturn overspend during 2021/22.
- 2.84** Cardiff Port Health Authority achieved a £7k outturn underspend which is the result of small volume of staff resources being diverted to cover Test, Trace and Protect activities.
- 2.85** Overall, the Vale achieved a £3k outturn overspend in respect of Authority Specific Services.
- 2.86** The Licensing Service achieved a £24k outturn overspend. Within the Vale, the taxi trade has not returned to pre-pandemic levels. However, an increase in the submission of electronic forms has driven an increase in staff hours to successfully navigate the increased workload.
- 2.87** The Burial section achieved a £4k outturn overspend which reflects the uptake of public health funerals in the year. However, it should be noted that there were no known Covid related funerals.
- 2.88** The Pest Control Service achieved an £8k outturn underspend.
- 2.89** The Kennelling and Vets Service continues to emulate the reduction in pressure experienced at Bridgend, and as a result achieved a £17k outturn underspend.

## Net Position

- 2.90** In accordance with the Joint Working Agreement (JWA), income budgets remain the responsibility of each Partner Authority and are shown in this report for completeness. The following table illustrates an overall achieved outturn overspend of £7k, against a net budget of £6.205m.

Authority	Net	Unaudited	Outturn
	Budget	Outturn	Variance
	£'000's	£'000's	£'000's
Bridgend	1,310	1,344	(34)
Cardiff	3,494	3,524	(30)
Vale	1,401	1,344	57
<b>Total Net Expenditure</b>	<b>6,205</b>	<b>6,212</b>	<b>(7)</b>

- 2.91** A full breakdown of the forecast outturn position is illustrated in **Appendix 5**.
- 2.92** All partners have confirmed that they have made successful claims against the WG Covid income Loss Grant, however, these funds are held centrally by the partner authorities so are therefore not showing on this report.
- 2.93** Bridgend have achieved a net outturn position of a £34k overspend, against a net budget of £1.310m, which is due to the gross expenditure outturn underspend of £142k being offset by an £176k shortfall in income receipts.
- 2.94** Core income under recovered £21k against the £60k budget.
- 2.95** Licensing income achieved a £155k shortfall in receipts against a budget of £407k.
- 2.96** The achieved net outturn position for Cardiff is an overall overspend of £30k, against a net budget of £3.494m which is the result of gross expenditure underspend of £146k being offset by a £176k shortfall in income receipts at Cardiff.
- 2.97** Core income under recovered £40k against a budget of £183k
- 2.98** Authority Specific Services achieved £136k against a budget of £1,135.
- 2.99** The achieved net outturn position for the Vale of Glamorgan is a £57k underspent.
- 2.100** The £75k gross expenditure outturn position as detailed at point 2.1 of this report, has been offset by an £18k overall under recovery of income against target in 2021/22. The £8k over recovery of income within Core has been fully offset by the £26k under recovery of income within the Licensing Section where there has been a decrease in the number of licensed taxis in the area which is directly attributable to the impact of Covid.

### **Challenges moving forward**

- 2.101** Since its inception, SRS has consolidated service delivery in accord with the agreed standards. Over the last two years, the service has engaged with a wide range of partners to play a central role in tackling the spread of coronavirus. The over-riding challenge during 2022/23 will be to balance the need to respond to any resurgence of COVID-19, with the need to respond to other emerging global events while at the same time ensuring a return to 'business as usual work' with. Consequently, the Key Milestones for 2022/23 include:
- *Delivery of the SRS Business Plan 2022-2023 and the associated corporate priorities assigned to the SRS by the partner councils*
  - *To support the partner councils and other agencies to manage the impact of any resurgence of Covid-19*
  - *To monitor the implementation of new legislation and any requirements imposed by such legislation upon the Service, for example the Welsh Government requirements around Special Procedures*

- *To contribute to the climate change goals in each of the partner authorities through effective enforcement of environmental controls such as those regulating energy efficiency in the private rented housing sector.*
- *To consult with staff and develop a recruitment and retention strategy comprising actions for the short, medium and longer term in order to attract, develop and retain skilled staff.*
- *Review the agile working arrangements for the service to ensure that technology is being exploited fully to improve service delivery.*

### **3. How do proposals evidence the Five Ways of Working and contribute to our Well-being Objectives?**

- 3.1** The Annual report demonstrates the partner Councils' commitment to improving social, economic, environmental and cultural well-being and promoting sustainable development in line with the Wellbeing of Future Generations (Wales) Act 2015. Equalities, Sustainability and safeguarding issues have all been taken into account when drafting this plan. Our work with stakeholders seeking to ensure that our early intervention and prevention activities maintain wellbeing in the SRS region is a crucial element of our approach to protect local people and the environment.
- 3.2** The Wellbeing of Future Generations Act requires the SRS to underpin decision making by contributing to the seven well-being goals of the Act, following the five ways of working, and consequently undertaking actions that will have a positive impact on people living in the future as well as those living today. The SRS Business Plan contains a number of initiatives that contribute to the wellbeing objectives. Section 6 of the Business Plan illustrates how the SRS priorities interface with the wellbeing goals on matters such as safeguarding the vulnerable and protecting the environment and forms the basis for the Annual report.
- 3.3** Aligning the Wellbeing Goals of the Act enables us to evidence our contribution to the National Wellbeing Goals. Promoting the five ways of working is reflected in our approach to integrated business planning. Setting consistently challenging yet realistic steps and performance improvement targets, the SRS is able to clearly demonstrate progress towards achieving the national goals by the production of the Annual report.

## **4. Resources and Legal Considerations**

### **Financial**

- 4.1** The implications are set out in the body of the report.

### **Employment**

- 4.2** The implications of the budget reductions undertaken in 2020/21 are set out in the body of the report.

### **Legal (Including Equalities)**

- 4.3** The partner Councils have a duty to improve under the Local Government (Wales) Measure 2009. The report outlines achievements in 2021/22 for the matters assigned to the Shared Regulatory Service. The Joint Working Agreement executed on 10 April 2015 and amended July 2017 sets out the obligations placed upon the partner Councils in delivery of the Shared Regulatory Service.

## **5. Background Papers**

None

### ***Appendices***

- Appendix 1 – SRS Performance Measures 2021- 2022
- Appendix 2 – SRS Covid activities 2021-2022
- Appendix 3 – SRS Prosecution Statistics 2021-2022
- Appendix 4 – Projected Gross Revenue Outturn Position (tab A)
- Appendix 5 – Projected Net Outturn Position (tab B)

# Shared Regulatory Services

## Quarterly Performance Report 2021-22

### Quarter 4

Page 374



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# High Risk Food Hygiene Inspections

Year	Team	Authority	Ref	Quarter	Title	No. carried out	No. due	Percentage achieved	Rag Status	Comments	Target
2021-22	Food Combined	Bridgend	SRS/FH/001	Qtr 4	The percentage of high risk businesses ( <b>Cat A</b> ) that were liable to a programmed inspection that were inspected for food hygiene.	5	5	100.00%	Green	The suspension of inspections and closure of businesses during 2020/21 due to Covid-19 resulted in a backlog of programmed inspections. This coupled with staff resources being diverted to the COVID response together with recruitment and retention pressures has impacted on the number of inspections undertaken. To help address this, the Food Standards Agency Recovery Plan was adopted, which set out those inspections that needed to be prioritised to the end of 2021-22 namely A rated inspections and new businesses and all A rated inspections have been completed.	100%
2021-22	Food Combined	Cardiff	SRS/FH/001	Qtr 4	The percentage of high risk businesses ( <b>Cat A</b> ) that were liable to a programmed inspection that were inspected for food hygiene.	10	10	100.00%	Green	The suspension of inspections and closure of businesses during 2020/21 due to Covid-19 resulted in a backlog of programmed inspections. This coupled with staff resources being diverted to the COVID response together with recruitment and retention pressures has impacted on the number of inspections undertaken. To help address this, the Food Standards Agency Recovery Plan was adopted, which set out those inspections that needed to be prioritised to the end of 2021-22, namely A rated inspections and new businesses and all A rated inspections have been completed.	100%
2021-22	Food Combined	Vale of Glam	SRS/FH/001	Qtr 4	The percentage of high risk businesses ( <b>Cat A</b> ) that were liable to a programmed inspection that were inspected for food hygiene.	4	4	100.00%	Green	The suspension of inspections and closure of businesses during 2020/21 due to Covid-19 resulted in a backlog of programmed inspections. This coupled with staff resources being diverted to the COVID response together with recruitment and retention pressures has impacted on the number of inspections undertaken. To help address this, the Food Standards Agency Recovery Plan was adopted, which set out those inspections that needed to be prioritised to the end of 2021-22, namely A rated inspections and new businesses and all A rated inspections have been completed.	100%
2021-22	Food Combined	SRS	SRS/FH/001	Qtr 4	The percentage of high risk businesses ( <b>Cat A</b> ) that were liable to a programmed inspection that were inspected for food hygiene.	19	19	100.00%	Green	The suspension of inspections and closure of businesses during 2020/21 due to Covid-19 resulted in a backlog of programmed inspections. This coupled with staff resources being diverted to the COVID response together with recruitment and retention pressures has impacted on the number of inspections undertaken. To help address this, the Food Standards Agency Recovery Plan was adopted, which set out those inspections that needed to be prioritised to the end of 2021-22, namely A rated inspections and new businesses and all A rated inspections have been completed.	100%

# High Risk Food Hygiene Inspections

Year	Team	Authority	Ref	Quarter	Title	No. carried out	No. due	Percentage achieved	Rag Status	Comments	Target
2021-22	Food Combined	Bridgend	SRS/FH/001	Qtr 4	The percentage of high risk businesses ( <b>Cat B</b> ) that were liable to a programmed inspection that were inspected for food hygiene.	18	48	37.50%	Red	The suspension of inspections and closure of businesses during 2020/21 due to Covid-19 resulted in a backlog of programmed inspections. This coupled with staff resources being diverted to the COVID response together with recruitment and retention pressures has impacted on the number of inspections undertaken. To help address this, the Food Standards Agency Recovery Plan was adopted, which set out those inspections that needed to be prioritised. As a consequence A rated and new business inspections were prioritised during 2021/22. Even though Category B inspections were not prioritised during this period, good progress has been made with a view to completing these by June 2022 in accordance with the Recovery Plan.	100%
2021-22	Food Combined	Cardiff	SRS/FH/001	Qtr 4	The percentage of high risk businesses ( <b>Cat B</b> ) that were liable to a programmed inspection that were inspected for food hygiene.	134	135	99.26%	Amber	The suspension of inspections and closure of businesses during 2020/21 due to Covid-19 resulted in a backlog of programmed inspections. This coupled with staff resources being diverted to the COVID response together with recruitment and retention pressures has impacted on the number of inspections undertaken. To help address this, the Food Standards Agency Recovery Plan was adopted, which set out those inspections that needed to be prioritised. As a consequence A rated and new business inspections were prioritised during 2021/22. Even though Category B inspections were not prioritised during this period, good progress has been made with a view to completing these by June 2022 in accordance with the Recovery Plan.	100%
2021-22	Food Combined	Vale of Glam	SRS/FH/001	Qtr 4	The percentage of high risk businesses ( <b>Cat B</b> ) that were liable to a programmed inspection that were inspected for food hygiene.	20	51	39.22%	Red	The suspension of inspections and closure of businesses during 2020/21 due to Covid-19 resulted in a backlog of programmed inspections. This coupled with staff resources being diverted to the COVID response together with recruitment and retention pressures has impacted on the number of inspections undertaken. To help address this, the Food Standards Agency Recovery Plan was adopted, which set out those inspections that needed to be prioritised. As a consequence A rated and new business inspections were prioritised during 2021/22. Even though Category B inspections were not prioritised during this period, good progress has been made with a view to completing these by June 2022 in accordance with the Recovery Plan.	100%
2021-22	Food Combined	SRS	SRS/FH/001	Qtr 4	The percentage of high risk businesses ( <b>Cat B</b> ) that were liable to a programmed inspection that were inspected for food hygiene.	172	234	73.50%	Red	The suspension of inspections and closure of businesses during 2020/21 due to Covid-19 resulted in a backlog of programmed inspections. This coupled with staff resources being diverted to the COVID response together with recruitment and retention pressures has impacted on the number of inspections undertaken. To help address this, the Food Standards Agency Recovery Plan was adopted, which set out those inspections that needed to be prioritised. As a consequence A rated and new business inspections were prioritised during 2021/22. Even though Category B inspections were not prioritised during this period, good progress has been made with a view to completing these by June 2022 in accordance with the Recovery Plan.	100%

# High Risk Food Hygiene Inspections

Year	Team	Authority	Ref	Quarter	Title	No. carried out	No. due	Percentage achieved	RAG Status	Comment	Target
2021-22	Food Combined	Bridgend	SRS/FH/002	Qtr 4	The percentage of high risk businesses ( <b>Cat C</b> ) that were liable to a programmed inspection that were inspected for food hygiene.	50	484	10.33%	Red	The suspension of inspections and closure of businesses during 2020/21 due to Covid-19 resulted in a backlog of programmed inspections. This coupled with staff resources being diverted to the COVID response together with recruitment and retention pressures has impacted on the number of inspections undertaken. To help address backlogs, the Food Standards Recovery Plan was adopted, which set out those inspections that needed to be prioritised during the year, namely A rated inspections and new businesses. As a consequence priority was given to completing these inspections over any other category which has inevitably impacted on performance against this performance measure. Non broadly compliant C rated inspections will be prioritised for completion by the end of September 2022 in line with the Recovery Plan.	90%
2021-22	Food Combined	Cardiff	SRS/FH/002	Qtr 4	The percentage of high risk businesses ( <b>Cat C</b> ) that were liable to a programmed inspection that were inspected for food hygiene.	82	1100	7.45%	Red	The suspension of inspections and closure of businesses during 2020/21 due to Covid-19 resulted in a backlog of programmed inspections. This coupled with staff resources being diverted to the COVID response together with recruitment and retention pressures has impacted on the number of inspections undertaken. To help address backlogs, the Food Standards Recovery Plan was adopted, which set out those inspections that needed to be prioritised during the year, namely A rated inspections and new businesses. As a consequence priority was given to completing these inspections over any other category which has inevitably impacted on performance against this performance measure. Non broadly compliant C rated inspections will be prioritised for completion by the end of September 2022 in line with the Recovery Plan.	90%
2021-22	Food Combined	Vale of Glam	SRS/FH/002	Qtr 4	The percentage of high risk businesses ( <b>Cat C</b> ) that were liable to a programmed inspection that were inspected for food hygiene.	25	452	5.53%	Red	The suspension of inspections and closure of businesses during 2020/21 due to Covid-19 resulted in a backlog of programmed inspections. This coupled with staff resources being diverted to the COVID response together with recruitment and retention pressures has impacted on the number of inspections undertaken. To help address backlogs, the Food Standards Recovery Plan was adopted, which set out those inspections that needed to be prioritised during the year, namely A rated inspections and new businesses. As a consequence priority was given to completing these inspections over any other category which has inevitably impacted on performance against this performance measure. Non broadly compliant C rated inspections will be prioritised for completion by the end of September 2022 in line with the Recovery Plan.	90%
2021-22	Food Combined	SRS	SRS/FH/002	Qtr 4	The percentage of high risk businesses ( <b>Cat C</b> ) that were liable to a programmed inspection that were inspected for food hygiene.	157	2036	7.71%	Red	The suspension of inspections and closure of businesses during 2020/21 due to Covid-19 resulted in a backlog of programmed inspections. This coupled with staff resources being diverted to the COVID response together with recruitment and retention pressures has impacted on the number of inspections undertaken. To help address backlogs, the Food Standards Recovery Plan was adopted, which set out those inspections that needed to be prioritised during the year, namely A rated inspections and new businesses. As a consequence priority was given to completing these inspections over any other category which has inevitably impacted on performance against this performance measure. Non broadly compliant C rated inspections will be prioritised for completion by the end of September 2022 in line with the Recovery Plan.	90%

# New Businesses—Food Hygiene

Year	Team	Authority	Ref	Quarter	Title	No. carried out	No. due	Percentage achieved	RAG Status	Comment	Target
2021-22	Food Combined	Bridgend	SRS/FH/003	Qtr 4	The percentage of new businesses identified which were subject to a risk assessment during the year for food hygiene.	203	317	64.04%	Red	The suspension of inspections and closure of businesses during 2020/21 resulted in significant backlog of new business inspections. 225 in Bridgend. This coupled with staff resources being diverted to Test, Trace, Protect, together with recruitment and retention pressures has impacted on the number of inspections undertaken. This is however being addressed via the Food Standards Agency Recovery Plan framework which is seeing the service prioritise new business inspections during the year. While figures for new business remain high, due to the large number received during the year coupled with the backlog, we are reducing the backlog from previous years and this is now standing at 45 outstanding at the end of Qtr 4 with the remainder, 69, being inspections that have become due during 2021/22 and have yet to be completed.	90%
2021-22	Food Combined	Cardiff	SRS/FH/003	Qtr 4	The percentage of new businesses identified which were subject to a risk assessment during the year for food hygiene.	563	985	57.16%	Red	The suspension of inspections and closure of businesses during 2020/21 resulted in significant backlog of new business inspections. 550 in Cardiff. This coupled with staff resources being diverted to Test, Trace, Protect, together with recruitment and retention pressures has impacted on the number of inspections undertaken. This is however being addressed via the Food Standards Agency Recovery Plan framework which is seeing the service prioritise new business inspections during the year. While figures for new business remain high, due to the large number received during the year coupled with the backlog, we are reducing the backlog from previous years and this is now standing at 157 outstanding at the end of Qtr 4 with the remainder, 265, being inspections that have become due during 2021/22 and have yet to be completed.	90%
2021-22	Food Combined	Vale of Glam	SRS/FH/003	Qtr 4	The percentage of new businesses identified which were subject to a risk assessment during the year for food hygiene.	228	352	64.77%	Red	The suspension of inspections and closure of businesses during 2020/21 resulted in significant backlog of new business inspections. 203 in the Vale of Glamorgan. This coupled with staff resources being diverted to Test, Trace, Protect, together with recruitment and retention pressures has impacted on the number of inspections undertaken. This is however being addressed via the Food Standards Agency Recovery Plan framework which is seeing the service prioritise new business inspections during the year. While figures for new business remain high, due to the large number received during the year coupled with the backlog, we are reducing the backlog from previous years and this is now standing at 39 outstanding at the end of Qtr 4 with the remainder, 85, being inspections that have become due during 2021/22 and have yet to be completed.	90%
2021-22	Food Combined	SRS	SRS/FH/003	Qtr 4	The percentage of new businesses identified which were subject to a risk assessment during the year for food hygiene.	994	1654	60.10%	Red	The suspension of inspections and closure of businesses during 2020/21 resulted in significant backlog of new business inspections. 978 across the region. This coupled with staff resources being diverted to Test, Trace, Protect, together with recruitment and retention pressures has impacted on the number of inspections undertaken. This is however being addressed via the Food Standards Agency Recovery Plan framework which is seeing the service prioritise new business inspections during the year. While figures for new business remain high, due to the large number received during the year coupled with the backlog, we are reducing the backlog from previous years and this is now standing at 241 outstanding at the end of Qtr 4 with the remainder, 419, being inspections that have become due during 2021/22 and have yet to be completed.	90%

# Broadly Compliant Food Premises

Year	Team	Authority	Ref	Quarter	Title	No. carried out	No. due	Percentage achieved	RAG Status	Comment	Target
2021-22	Food	Bridgend	PAM/23	Qtr 4	Percentage of food establishments which are 'broadly compliant' with food hygiene standards.	1338	1374	97.38%	Green	Target exceeded.	94%
2021-22	Food	Cardiff	PAM/23	Qtr 4	Percentage of food establishments which are 'broadly compliant' with food hygiene standards.	3189	3331	95.74%	Green	Target exceeded.	94%
2021-22	Food	Vale of Glam	PAM/23	Qtr 4	Percentage of food establishments which are 'broadly compliant' with food hygiene standards.	1308	1345	97.25%	Green	Target exceeded.	94%
2021-22	Food	SRS	PAM/23	Qtr 4	Percentage of food establishments which are 'broadly compliant' with food hygiene standards.	5835	6050	96.45%	Green	Target exceeded.	94%

# High Risk Trading Standards Inspections

Year	Team	Authority	Ref	Quarter	Title	No. carried out	No. due	Percentage achieved	RAG Status	Comment	Target
2021-22	TS Combined	Bridgend	SRS/TS/001	Qtr 4	The percentage of high risk businesses that were liable to a programmed inspection that were inspected, for trading standards.	3	7	42.86%	Red	4 inspections remained outstanding at the end of Qtr 4. The Food Standards Agency Recovery Plan framework which has been implemented within SRS to deal with the backlog of programmed food standards inspections requires the prioritisation of Category A Food standards inspections for completion by June 2022.	100%
2021-22	TS Combined	Cardiff	SRS/TS/001	Qtr 4	The percentage of high risk businesses that were liable to a programmed inspection that were inspected, for trading standards.	15	21	71.43%	Red	6 inspections remained outstanding at the end of Qtr 4. The Food Standards Agency Recovery Plan framework which has been implemented within SRS to deal with the backlog of programmed food standards inspections requires the prioritisation of Category A Food standards inspections for completion by June 2022.	100%
2021-22	TS Combined	Vale of Glam	SRS/TS/001	Qtr 4	The percentage of high risk businesses that were liable to a programmed inspection that were inspected, for trading standards.	1	1	100.00%	Green	Target achieved.	100%
2021-22	TS Combined	SRS	SRS/TS/001	Qtr 4	The percentage of high risk businesses that were liable to a programmed inspection that were inspected, for trading standards.	19	29	65.52%	Red	10 inspections remained outstanding at the end of Qtr 4. The Food Standards Agency Recovery Plan framework which has been implemented within SRS to deal with the backlog of programmed food standards inspections requires the prioritisation of Category A Food standards inspections for completion by June 2022.	100%

# New business—Trading Standards

Team	Authority	Ref	Quarter	Title	No. carried out	No. due	Percentage achieved	RAG Status	Comment	Target
TS combined	Bridgend	SRS/TS/003	Qtr 4	The percentage of new businesses identified which were subject to a risk assessment visit or returned a self-assessment questionnaire during the year, for food standards and animal feed.	185	346	53.47%	Red	The suspension of inspections and closure of businesses during 2020/21 resulted in significant backlog of new business inspections. This coupled with job vacancies has impacted on the number of inspections undertaken. This is being addressed in part via the Food Standards Agency Recovery Plan framework in relation to food standards work.	80%
TS Combined	Cardiff	SRS/TS/003	Qtr 4	The percentage of new businesses identified which were subject to a risk assessment visit or returned a self-assessment questionnaire during the year, for food standards and animal feed.	216	953	22.67%	Red	The suspension of inspections and closure of businesses during 2020/21 resulted in significant backlog of new business inspections. This coupled with job vacancies has impacted on the number of inspections undertaken. This is being addressed in part via the Food Standards Agency Recovery Plan framework in relation to food standards work.	80%
TS Combined	Vale of Glam	SRS/TS/003	Qtr 4	The percentage of new businesses identified which were subject to a risk assessment visit or returned a self-assessment questionnaire during the year, for food standards and animal feed.	177	447	39.60%	Red	The suspension of inspections and closure of businesses during 2020/21 resulted in significant backlog of new business inspections. This coupled with job vacancies has impacted on the number of inspections undertaken. This is being addressed in part via the Food Standards Agency Recovery Plan framework in relation to food standards work.	80%
TS Combined	SRS	SRS/TS/003	Qtr 4	The percentage of new businesses identified which were subject to a risk assessment visit or returned a self-assessment questionnaire during the year, for food standards and animal feed.	578	1746	33.10%	Red	The suspension of inspections and closure of businesses during 2020/21 resulted in significant backlog of new business inspections. This coupled with job vacancies has impacted on the number of inspections undertaken. This is being addressed in part via the Food Standards Agency Recovery Plan framework in relation to food standards work.	80%

# Significant Breaches

Team	Authority	Ref	Quarter	Title	No. carried out	No. due	Percentage achieved	RAG Status	Comment	Target
TS combined	Bridgend	SRS/TS/002	Qtr 4	The percentage of significant breaches that were rectified by intervention during the year for: Trading Standards	39	40	<b>97.50%</b>	N/A	This measure relates to premises/businesses that are subject to ongoing investigations. The conclusion of such investigations may not always be possible within the financial year, however all cases are in within time for legal processing.	N/A
TS Combined	Cardiff	SRS/TS/002	Qtr 4	The percentage of significant breaches that were rectified by intervention during the year for: Trading Standards	160	167	<b>95.81%</b>	N/A	This measure relates to premises/businesses that are subject to ongoing investigations. The conclusion of such investigations may not always be possible within the financial year, however all cases are in within time for legal processing.	N/A
TS Combined	Vale of Glam	SRS/TS/002	Qtr 4	The percentage of significant breaches that were rectified by intervention during the year for: Trading Standards	53	57	<b>92.98%</b>	N/A	This measure relates to premises/businesses that are subject to ongoing investigations. The conclusion of such investigations may not always be possible within the financial year, however all cases are in within time for legal processing.	N/A
TS Combined	SRS	SRS/TS/002	Qtr 4	The percentage of significant breaches that were rectified by intervention during the year for: Trading Standards	252	264	<b>95.45%</b>	N/A	This measure relates to premises/businesses that are subject to ongoing investigations. The conclusion of such investigations may not always be possible within the financial year, however all cases are in within time for legal processing.	N/A



# Noise and Air Pollution

Year	Team	Authority	Ref	Quarter	Title	No. responded to	No. received	Percentage achieved	RAG Status	Comment	Target
2020-21	Pollution	Bridgend	SRS/LC/008	Qtr 4	Percentage of domestic noise and air complaints responded to within 3 working days.	122	135	90.37%	Green	Target exceeded.	90%
2020-21	Pollution	Bridgend	SRS/LC/008	Annual Result	Percentage of domestic noise and air complaints responded to within 3 working days.	726	822	88.32%	Amber	The Noise team worked with a reduced resource due to one officer being seconded to the Covid Enforcement Team. The target of 90% equates to 740 complaints which represents a shortfall of only 14 complaints that were not responded to in the target time during the year.	90%
2020-21	Pollution	Cardiff	SRS/LC/008	Qtr 4	Percentage of domestic noise and air complaints responded to within 3 working days.	364	393	92.62%	Green	Target exceeded.	90%
2020-21	Pollution	Cardiff	SRS/LC/008	Annual Result	Percentage of domestic noise and air complaints responded to within 3 working days.	2082	2210	94.21%	Green	Target exceeded.	90%
2020-21	Pollution	Vale of Glam	SRS/LC/008	Qtr 4	Percentage of domestic noise and air complaints responded to within 3 working days.	90	100	90.00%	Green	Target achieved.	90%
2020-21	Pollution	Vale of Glam	SRS/LC/008	Annual Result	Percentage of domestic noise and air complaints responded to within 3 working days.	458	511	89.63%	Amber	The team have had operational issues due to staff availability and some delays in handling complaints that have been logged. The target of 90% equates to 460 complaints which represents a shortfall of only 2 complaints that were not responded to in the target time during the year.	90%
2020-21	Pollution	SRS	SRS/LC/008	Qtr 4	Percentage of domestic noise and air complaints responded to within 3 working days.	576	628	91.72%	Green	Target exceeded.	90%
2020-21	Pollution	SRS	SRS/LC/008	Annual Result	Percentage of domestic noise and air complaints responded to within 3 working days.	3266	3543	92.18%	Green	Target exceeded.	90%

# Noise and Air Pollution

Year	Team	Authority	Ref	Quarter	Title	No. re- sponded to	No. re- ceived	Percentage achieved	RAG Status	Comment	Target
2020-21	Pollution	Bridgend	SRS/LC/009	Qtr 4	Percentage of commercial and industrial noise and air complaints responded to within one working day.	30	44	68.18%	Amber	The Noise team continue to work with reduced resource due to one officer being seconded to the Covid Enforcement Team. The target of 75% equates to 33 complaints which represents a shortfall of only 3 complaints that were not responded to in the target time.	75%
2020-21	Pollution	Bridgend	SRS/LC/009	Annual Result	Percentage of commercial and industrial noise and air complaints responded to within one working day.	277	387	71.58%	Amber	The Noise team worked with a reduced resource due to one officer being seconded to the Covid Enforcement Team. The target of 75% equates to 291 complaints which represents a shortfall of only 14 complaints that were not responded to in the target time during the year.	75%
2020-21	Pollution	Cardiff	SRS/LC/009	Qtr 4	Percentage of commercial and industrial noise and air complaints responded to within one working day.	116	161	72.05%	Amber	The team have had operational issues due to staff availability and some delays in handling complaints that have been logged. The target of 75% equates to 121 complaints, a shortfall of 5 complaints that were not responded to within the target time.	75%
2020-21	Pollution	Cardiff	SRS/LC/009	Annual Result	Percentage of commercial and industrial noise and air complaints responded to within one working day.	548	759	72.20%	Amber	The team have had operational issues due to staff availability and some delays in handling complaints that have been logged. The target of 75% equates to 570 complaints, a shortfall of 22 complaints that were not responded to within the target time during the year.	75%
2020-21	Pollution	Vale of Glam	SRS/LC/009	Qtr 4	Percentage of commercial and industrial noise and air complaints responded to within one working day.	21	26	80.77%	Green	Target exceeded.	75%
2020-21	Pollution	Vale of Glam	SRS/LC/009	Annual Result	Percentage of commercial and industrial noise and air complaints responded to within one working day.	191	279	68.46%	Amber	The team have had operational issues due to staff availability and some delays in handling complaints that have been logged. The target of 75% equates to 210 complaints, a shortfall of 9 complaints that were not responded to within the target time during the year.	75%
2020-21	Pollution	SRS	SRS/LC/009	Qtr 4	Percentage of commercial and industrial noise and air complaints responded to within one working day.	167	231	72.29%	Amber	The Noise Teams have had operational issues due to staff availability and some delays in handling complaints that have been logged. The target of 75% equates to 174 complaints, a shortfall of 7 complaints that were not responded to within the target time.	75%
2020-21	Pollution	SRS	SRS/LC/009	Annual Result	Percentage of commercial and industrial noise and air complaints responded to within one working day.	1016	1425	71.30%	Amber	The Noise teams have had operational issues due to staff availability and some delays in handling complaints that have been logged. The target of 75% equates to 1069 complaints, a shortfall of 53 complaints that were not responded to within the target time during the year.	75%

# Noise and Air Pollution

Year	Team	Authority	Ref	Quarter	Title	No. re-sponded to	No. re-ceived	Percentage achieved	RAG Status	Comment	Target
2020-21	Pollution	Bridgend	SRS/LC/010	Qtr 4	Percentage of alarm complaints responded to within one day.	2	2	100.00%	Green	Target achieved.	90%
2020-21	Pollution	Bridgend	SRS/LC/010	Annual Result	Percentage of alarm complaints responded to within one day.	13	15	86.67%	Amber	The Noise team worked with a reduced resource due to one officer being seconded to the Covid Enforcement Team. The target of 90% equates to 14 complaints which represents a shortfall of only 1 complaint that was not responded to in the target time during the year.	90%
2020-21	Pollution	Cardiff	SRS/LC/010	Qtr 4	Percentage of alarm complaints responded to within one day.	7	8	87.50%	Amber	The team have had operational issues due to staff availability and some delays in handling complaints that have been logged. The target of 90% equates to 8 complaints, a shortfall of only one complaint that was not responded to within the target time.	90%
2020-21	Pollution	Cardiff	SRS/LC/010	Annual Result	Percentage of alarm complaints responded to within one day.	93	99	93.94%	Green	Target exceeded.	90%
2020-21	Pollution	Vale of Glam	SRS/LC/010	Qtr 4	Percentage of alarm complaints responded to within one day.	2	2	100.00%	Green	Target exceeded.	90%
2020-21	Pollution	Vale of Glam	SRS/LC/010	Annual Result	Percentage of alarm complaints responded to within one day.	9	11	81.82%	Amber	The team have had operational issues due to staff availability and some delays in handling complaints that have been logged. The target of 90% equates to 10 complaints, a shortfall of only one complaint that was not responded to within the target time.	90%
2020-21	Pollution	SRS	SRS/LC/010	Qtr 4	Percentage of alarm complaints responded to within one day.	11	12	91.67%	Green	Target exceeded.	90%
2020-21	Pollution	SRS	SRS/LC/010	Annual Result	Percentage of alarm complaints responded to within one day.	115	125	92.00%	Green	Target exceeded.	90%

# Licensing

Year	Team	Authority	Ref	Quarter	Title	No deter- mined	No. re- ceived	Percentage achieved	RAG Sta- tus	Comment	Target
2020-21	Licensing	Bridgend	SRS/LC/004	Qtr 4	Percentage of licensed premises applications received and determined within 2 months.	24	24	100.00%	Green	Target achieved.	100%
2020-21	Licensing	Bridgend	SRS/LC/004	Annual Re- sult	Percentage of licensed premises applications received and determined within 2 months.	91	91	100.00%	Green	Target achieved.	100%
2020-21	Licensing	Cardiff	SRS/LC/004	Qtr 4	Percentage of licensed premises applications received and determined within 2 months.	116	116	100.00%	Green	Target achieved.	100%
2020-21	Licensing	Cardiff	SRS/LC/004	Annual Re- sult	Percentage of licensed premises applications received and determined within 2 months.	696	696	100.00%	Green	Target achieved.	100%
2020-21	Licensing	Vale of Glam	SRS/LC/004	Qtr 4	Percentage of licensed premises applications received and determined within 2 months.	37	37	100.00%	Green	Target achieved.	100%
2020-21	Licensing	Vale of Glam	SRS/LC/004	Annual Re- sult	Percentage of licensed premises applications received and determined within 2 months.	140	140	100.00%	Green	Target achieved.	100%
2020-21	Licensing	SRS	SRS/LC/004	Qtr 4	Percentage of licensed premises applications received and determined within 2 months.	177	177	100.00%	Green	Target achieved.	100%
2020-21	Licensing	SRS	SRS/LC/004	Annual Re- sult	Percentage of licensed premises applications received and determined within 2 months.	927	927	100.00%	Green	Target achieved.	100%

# Licensing

Year	Team	Authority	Ref	Quarter	Title	No deter- mined	No. re- ceived	Percentage achieved	RAG Sta- tus	Comment	Target
2020-21	Licensing	Bridgend	SRS/LC/005	Qtr 4	Percentage of licensed personal applications received and determined within 2 months.	10	10	100.00%	Green	Target achieved.	100%
2020-21	Licensing	Bridgend	SRS/LC/005	Annual Re- sult	Percentage of licensed personal applications received and determined within 2 months.	50	50	100.00%	Green	Target achieved.	100%
2020-21	Licensing	Cardiff	SRS/LC/005	Qtr 4	Percentage of licensed personal applications received and determined within 2 months.	53	53	100.00%	Green	Target achieved.	100%
2020-21	Licensing	Cardiff	SRS/LC/005	Annual Re- sult	Percentage of licensed personal applications received and determined within 2 months.	227	227	100.00%	Green	Target achieved.	100%
2020-21	Licensing	Vale of Glam	SRS/LC/005	Qtr 4	Percentage of licensed personal applications received and determined within 2 months.	17	17	100.00%	Green	Target achieved.	100%
2020-21	Licensing	Vale of Glam	SRS/LC/005	Annual Re- sult	Percentage of licensed personal applications received and determined within 2 months.	77	77	100.00%	Green	Target achieved.	100%
2020-21	Licensing	SRS	SRS/LC/005	Qtr 4	Percentage of licensed personal applications received and determined within 2 months.	80	80	100.00%	Green	Target achieved.	100%
2020-21	Licensing	SRS	SRS/LC/005	Annual Re- sult	Percentage of licensed personal applications received and determined within 2 months.	354	354	100.00%	Green	Target achieved.	100%

# Licensing

Year	Team	Authority	Ref	Quarter	Title	No deter- mined	No. re- ceived	Percentage achieved	RAG Sta- tus	Comment	Target
2020-21	Licensing	Bridgend	SRS/LC/006	Qtr 4	Percentage of Gambling Premises applications received and determined within 2 months.	0	0	0.00%	Green	No applications received.	100%
2020-21	Licensing	Bridgend	SRS/LC/006	Annual Re- sult	Percentage of Gambling Premises applications received and determined within 2 months.	0	0	0.00%	Green	No applications received.	100%
2020-21	Licensing	Cardiff	SRS/LC/006	Qtr 4	Percentage of Gambling Premises applications received and determined within 2 months.	2	2	100.00%	Green	Target achieved.	100%
2020-21	Licensing	Cardiff	SRS/LC/006	Annual Re- sult	Percentage of Gambling Premises applications received and determined within 2 months.	2	2	100.00%	Green	Target achieved.	100%
2020-21	Licensing	Vale of Glam	SRS/LC/006	Qtr 4	Percentage of Gambling Premises applications received and determined within 2 months.	0	0	0.00%	Green	No applications received.	100%
2020-21	Licensing	Vale of Glam	SRS/LC/006	Annual Re- sult	Percentage of Gambling Premises applications received and determined within 2 months.	0	0	0.00%	Green	No applications received.	100%
2020-21	Licensing	SRS	SRS/LC/006	Qtr 4	Percentage of Gambling Premises applications received and determined within 2 months.	2	2	100.00%	Green	Target achieved.	100%
2020-21	Licensing	SRS	SRS/LC/006	Annual Re- sult	Percentage of Gambling Premises applications received and determined within 2 months.	2	2	100.00%	Green	Target achieved.	100%



Shared  
**Regulatory**  
Services

Gwasanaethau  
**Rheoliadol**  
a Rennir

# Covid-19 Response

## Qtr 4—April 21 to Mar 2022

**1517**

Service requests received making complaint, referrals or seeking advice on Covid-19 related matters



**5876**



Visits made to businesses to check compliance with regulations in respect of social distancing and business closures

**134048**

Confirmed and suspected cases of Covid 19 reported to SRS



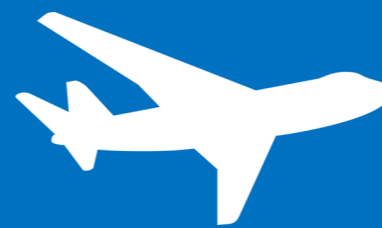
**368**

Outbreaks of new cases in care homes, schools, and nurseries managed



**1665**

Doorstep checks made on travellers arriving from outside the UK



**130**

Statutory Notices issued for non-compliance including 115 Improvement, 6 Closure and 9 Compliance Notices



**5093**

Noise and Air complaints received.



**20**

Officers seconded to Test, Trace and Protect

**7**

Profiteering incidents or Covid-19 related scams reported

**4596**

Confirmed cases of Covid-19 relating to care home staff/residents, schools, early years settings and the domiciliary care sector escalated to the regional team

**Test · Trace · Protect**

### Appendix 3 - Summary of cases concluding between April 2021 and March 2022

The following prosecution cases arising from investigations conducted across the Shared Service, concluded in court during 2021-2022.

Case	Court date	Offence(s)	Outcome
1	6.4.21	Visits by SRS officers to this food business on 14 <sup>th</sup> January and 13 <sup>th</sup> February 2021 highlighted a number of food hygiene offences including a failure to adequately control pests on the premises. Both the company and its Director were charged with offences,	Both defendants pleaded guilty and sentenced as follows. The company was fined £3666 and ordered to pay costs of £250 together with a victim surcharge of £190; while the Director was fined £1066 and ordered to pay costs of £250 together with a victim surcharge of £106
2	22.4.21	A local horse breeder stood trial after pleading not guilty to 31 animal cruelty offences and one offences of obstruction under the Animal Welfare Act 2006. The charges related cruelty against a flock of Jacob sheep in August 2019, and also cruelty to horses kept on three different sites in January 2020. The suffering caused to the animals and the conditions in which they were being kept meant that all the sheep and a total of 240 horses had to be seized under the Animal Welfare Act.  His partner was the co-defendant in the case, and had previously pleaded guilty to the same 31 animal cruelty offences.	The first defendant was sentenced to 6 months imprisonment and was given a lifetime disqualification from keeping any animals. At a subsequent hearing, the matter of costs was resolved with the defendant being ordered to pay costs amounting to £450,000.  His co-defendant was sentenced to a 12 week custodial sentence, suspended for 12 months, with a requirement to wear an electronic tag for the duration of the 12 weeks, and be subject to a night time (9pm – 6am curfew) during that time. She was also given a lifetime disqualification from keeping any animals (other than some existing, specified pets).
3	4.5.21	This case arises from an inspection of a food takeaway business in August 2019 at which SRS officers highlighted a number of food hygiene offences including a failure to adequately control pests. The defendant pleaded guilty to all the four charges against him, and it was noted that he had been warned more than once and his offending had posed	The defendant was sentenced to 4 months imprisonment, concurrent on all matters, suspended for 18 months. He was ordered to complete 80 hours unpaid work and to pay costs of £750 together with a victim surcharge of £122



		a serious risk to public health.	
4	19.5.21	In this case, the owner of a convenience store was charged with a string food hygiene offences after SRS Officers found dreadful conditions on the premises. The company of which the store owner is the director was also charged with the same offences. The court heard that officers had found a dead mouse and a cockroach infestation, unwrapped raw meat being stored next to fresh herbs and vegetables and out of date and mouldy foods. The defendant had been previously prosecuted for food hygiene matters and also for the supply if illegal tobacco; as a result he knew the serious nature of the offences. The District Judge took the view that culpability was very high and there had been a flagrant disregard for the law. His food hygiene practices were very poor. There was a high risk of an adverse effect and serious risk to public health. The defendant's position was aggravated by the previous convictions and breach of a conditional discharge.	The Company was given a total fine of £20,000 The individual was sentenced to a total of 13 months imprisonment to begin immediately. The court also made him subject to a Hygiene Prohibition Order preventing him from participating in the management of any food business.
5	21.5.21	The case concerns a beauty and cosmetics outlet that remained open during the initial COVID19 lockdown in 2020, when it was not permitted to be open. The owner of the business was prosecuted under the Health Protection (Coronavirus Restrictions) (Wales) Regulations.	The defendant did not attend court and the case against him was proved in his absence. He was fined a total of £1320 and ordered to pay costs of £300 together with a victim surcharge of £132

6	21.5.21	This case involved a rogue trader who took £900 from for a resident in return for carrying out repairs to a paved area in the garden. The defendant carried out no work and when later questioned about the matter disputed the amount of money involved. He had previously been warned by SRS about his trading practices yet in this case he still omitted his name, address and work details on paperwork, failed to advise consumers of their right to cancel the contract and he gave an incorrect address.	The defendant pleaded guilty to offences under the Consumer Protection from Unfair Trading Regulations. He was fined a total of £420 and ordered to pay costs of £325 together with a victim surcharge of £42.  He was also ordered to pay £900 compensation to the resident within 7 days. He had already deposited the money with his solicitor so that it could be paid directly to the court.
7	4.6.21	The defendant was the Premises Licence Holder at a retail outlet. He pleaded guilty to two offences under the Licensing Act 2003 in respect of the sale of alcohol to a person under the age of 18 years in December 2019.	He was fined £420 and ordered to pay costs of £220 together with a victim surcharge of £40.
8	4.6.21	The defendant company and its Director were charged with 5 offences under the Management of Houses in Multiple Occupation (Wales) Regulations 2006 and the Housing Act 2004. There was a failure to attend court and the defendants were found guilty in their absence.	Both defendants were fined £2200 and each ordered to pay £225 in costs together with a victim surcharge of £190.
9	2.7.21	In March 2020 officers from the Shared Regulatory Services visited the defendant's mobile food vehicle to carry out a food hygiene inspection. Following the inspection, the defendant's food business was issued with a food hygiene rating of 1, indicating that improvement was necessary. On a return visit in May 2020, officers discovered that the defendant had failed	The defendant was fined £400 for failing to display the correct Food Hygiene rating of 1 and a further £500 fine was imposed for displaying the invalid Food Hygiene rating of 3. He was also ordered to pay costs of £650 and a victim surcharge of £90.

		<p>to display the food hygiene rating of 1 and was in fact displaying an invalid food hygiene rating of 3. The defendant was given the opportunity to discharge his liability for the offence by being offered a fixed penalty notice, but he declined.</p> <p>The defendant failed to attend court for the trial so the case was proved in his absence, with him being found guilty of both offences under the Food Hygiene Rating (Wales) Act 2013.</p>	
10	2.7.21	<p>In February 2020, officers from the Shared Regulatory Services attended a self-storage premises and discovered 9760 packets of counterfeit cigarettes in the defendant's storage unit. The cigarettes also failed to comply with the labelling requirements for cigarettes. The defendant attended court and pleaded guilty to two offences under the Trade Marks Act 1994 and to one offence under the Tobacco and Related Products Regulations 2016.</p> <p>The defendant runs his own shop, but the Probation Officer advised the court that the defendant had indicated that he had been storing the boxes for a friend who had given him £200 and he had not known that he was doing anything illegal. He had subsequently not been able to get hold of the friend.</p>	<p>In sentencing, the Magistrates advised the defendant that these were very serious offences and imprisonment was an option. However, given his previous clean character and his early guilty plea, they issued him with a 12-month Community Order requiring him to carry out 120 hours of unpaid work. They also imposed costs of £375 and a victim surcharge of £95. The seized goods had previously been made the subject of a Forfeiture Order.</p>

11	22.7.21	<p>The defendant had been investigated by SRS after being found to be an unlicensed dog breeder. The charges against him included the unnecessary suffering and mutilation (ear cropping) that he caused or allowed to be caused to the bulldogs he bred.</p> <p>The District Judge was of the view that the defendant had been motivated by greed and money and didn't care about the dogs save for what they could give him in profit. He had consistently given 'no comment' responses at interview and refused to provide SRS investigators with any details of purchasers and sellers. He had been evasive and uncooperative all the way through the investigation and to the probation service. The District Judge took the view that the defendant's comment to the investigating officers that by providing details of individuals involved in the dog world he would be labelled a grass, implies that had been dealing with unsavoury characters. He went on to say that he presents a risk to dogs and that in his opinion this individual doesn't need to be rehabilitated, he just needs to be kept away from animals.</p>	<p>The defendant was sentenced to 16 weeks in custody and a fine of £1,200 fine. He was also ordered to pay costs of £9,775 which must be paid with 14 days of his release. The District Judge disqualified him from keeping animals for a period of 8 years, and also prohibited him from applying for a revocation of the disqualification for 5 years.</p> <p>An order was made to deprive the defendant of the 8 puppies that were seized on the day of the warrant and in addition the 8 adult dogs that were present. These are to be released into the care of the Local Authority within 28 days of his release from custody. A £120 victim surcharge was also imposed.</p>
12	23.7.21	<p>During routine food hygiene visits to a smallholder in February and March 2020, officers from Shared Regulatory Services found live poultry intended for slaughter were housed in filthy conditions; the food processing room, slaughter room and equipment were dirty and covered in blood; foods were not protected from contamination; and animal carcasses and waste</p>	<p>The defendant pleaded guilty to a range of offences under legislation covering both the poor hygiene and misdescription aspects of the case. He was fined £3500, ordered to pay £2000 costs and a victim surcharge of £190. He was prohibited from producing poultry on a commercial basis for five years.</p>

		<p>was not being appropriately stored or disposed of.</p> <p>Immediate intervention was necessary at the business when it was voluntarily closed, and the owner had worked with officers to ensure improvements. However later that same year, in October 2020, standards had lapsed, with poor practices reoccurring. Although a documented Food Safety Management System and cleaning schedules had been put in place, they were not being implemented.</p> <p>When asked, information was not available in relation to the traceability of foods, including where foods came from, and who they were supplied to. Between May and November 2020, chicken was purported to be locally sourced from the defendant's own farm and slaughtered and processed at his on-farm facility when it was not. In October 2020, he sold chicken to a retailer which contained a label that falsely described the poultry as being 'free range' when it was not.</p>	
13	6.8.21	<p>This case arose as a result of the anti-social behaviour caused to neighbours by a resident feeding wild birds. In October 2020, the defendant was served with a Community Protection Notice, requiring her to stop all feeding of birds on the land. However, in March 2021, the defendant was found to be feeding birds again. She was charged with offences under the Prevention of Damage by Pests Act 1949, and <b>also</b> under the Anti-Social Behaviour Crime and Policing Act 2014 for failing to comply with the CPN</p>	<p>The defendant was fined a total of £1000 and was ordered to pay costs of £3,583.38 together with a victim surcharge of £100.</p>

14	7.9.21	<p>In July 2020, officers from the Shared Regulatory Services were alerted to a substantial number of products being placed on the market for sale with prohibited health claims and that provided misleading food information. The defendant company (which has a retail outlet as well as an online platform), and its Managing Director pleaded guilty to 9 specimen offences under the Nutrition and Health Claims (Wales) Regulations 2007 and the General Food Regulations 2004.</p>	<p>Both defendants were fined £1800 each and ordered to pay costs of £4000 each.</p>
15	24.9.21	<p>At the end of 2018, SRS officers became aware of reports that residents were being told that they had a problem with rats. In total, some 29 complaints were received. The defendant was charged in relation to apparent pest control work he claimed to have undertaken at the home of two elderly and vulnerable victims. Both victims had been cold called by the defendant. In one case, the defendant told the victim she had rats in the loft. She paid him £11,400 over the course of 8 days to 'rectify' the alleged rat infestation and replace a roof tile. When officers investigated the matter, they discovered that the roof tile was still loose and there was no indication there had ever been rats.</p> <p>In the case of another victim, the defendant claimed to be from Environmental Health and said that he had found rats in the rear garden. This resident subsequently paid the defendant £10,400 over the course of 3 months, and described how he would 'get nasty' if she did not agree to pay him.</p>	<p>Mr McCarthy was sentenced on both counts to 12 months imprisonment to run concurrent but consecutive to his current prison sentence.</p>

		<p>The defendant had a number of previous convictions for dishonestly offences and has been serving a prison sentence since October 2019 when he was convicted of three burglaries.</p> <p>In sentencing, the Recorder told the defendant that he had taken advantage of two elderly and vulnerable women living alone who were clearly targeted. These were 'serious and mean' offences where he asked for money in circumstances that would have made the victims scared and in a panic. The amounts that the defendant took were substantial and the court would not tolerate this predatory behaviour. The offences were so serious that only imprisonment would be appropriate.</p>	
16	30.9.21	<p>The defendant in this case was the landlord of a 3-storey property which was being let to 5 un-related people who shared kitchen and bathroom facilities. SRS officers visited the property after a complaint was made by one of the tenants.</p> <p>The visit revealed that the property lacked an adequate fire alarm system, had a defective electrical installation and an insecure carpet to the first floor. The defendant subsequently failed to provide electrical reports when requested to do so and was found to be operating a licensable house in multiple occupation without a licence.</p> <p>He pleaded guilty to 5 charges under the Management of Houses in Multiple Occupation (Wales) Regulations</p>	The defendant was fined £834 and ordered to pay costs of £350 together with a victim surcharge of £83.

		2006.	
17	21.10.21	<p>The defendant in this case was just 19 years old when he travelled from England to South Wales and told a resident that roof repairs were needed to their home. He claimed that there was a problem with the ridge tiles and that the roof membrane was full of tears (he showed the resident video clips apparently of the membrane, to illustrate this). The resident paid £1580 for the work, only to find later that bits of membrane had simply been stapled to the roof joists. A chartered surveyor later confirmed that the work was of exceptionally poor standard and that it appeared that the tears had been <i>deliberately made</i> in the underfelt. It cost the resident a further £600 to rectify the problems.</p> <p>The defendant pleaded guilty to one offence under the Fraud Act 2006, and in mitigation claimed that the crime had been led by the two older men who accompanied him to the property. He had travelled a long way from home and was concerned that he wouldn't get paid if he didn't do as they told him.</p>	<p>In sentencing, the Magistrates took into account the defendant's early guilty plea, the fact that he had no previous convictions and his co-operation with the probation service. He was given a 1 year community order with a 15 days rehabilitation requirement and was ordered to carry out 80 hours of unpaid work. Costs of £1219 were awarded to the prosecution and the defendant was ordered to pay compensation of £2180.</p>
18	26.10.21	<p>The defendant in this case is the owner of a caravan site, and he was charged under the Mobile Homes (Wales) Act 2013 for knowingly or recklessly providing information which was false and which would cause a potential purchaser of a residential mobile home to decide not to do so. The offence is more commonly</p>	<p>The defendant was fined £1400 and ordered to pay costs of £600. In addition, £10,000 was awarded to the complainant to compensate him for the loss in sale price.</p>



	<p>known as 'sales blocking'.</p> <p>In October 2019 SRS received a complaint from the owner of a residential mobile home at the site owned by the defendant. The complainant had inherited the property following the death of his parents. The complainant advertised the property for sale and secured a purchaser who then completed the obligatory Proposed Sale Form which was submitted to the defendant. The purchaser had indicated on the form that he intended to park a Mitsubishi car on the site. The site rules precluded the parking of any commercial vehicles, touring caravans or camper vehicles on the site. The defendant applied to the Residential Property Tribunal for a Refusal Order in an attempt to stop the sale as he claimed he had received a telephone call from the purchaser claiming he wanted to park a campervan on the site next to the mobile home. This was vehemently denied by the purchaser who confirmed that he did not and had never owned a campervan and had not made any calls to the park. The Refusal Order was not granted by the Tribunal and the sale was eventually completed, albeit at a substantially lower price as the complainant had felt the need to reduce the sale price given the delay caused to the purchaser.</p> <p>In giving his decision, the District Judge evidence given by the prosecution witnesses was confirmed that the evidence given by the prosecution was consistent and clear whilst the evidence given by the defendant was evasive and inconsistent. The</p>	
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		defendant had clearly made the false statement thinking that nobody would do anything about it, and it was clear that he had done this before.	
19	28.10.21	<p>A landlord and a lettings agency were charged with offences under the Housing Act 2004 for letting a property, licensed under Part 2 of the Act, to be occupied in excess of the permitted number of persons. Charges also related to their permitting a part of the property which was prohibited from use by the terms of the licence, to be used as habitable accommodation.</p> <p>Advice had previously been given by officers of Shared Regulatory Services to the effect that the 2<sup>nd</sup> floor room was not to be used as a bedroom due to fire safety / means of escape issues, and a licence under Part 2 of the Housing Act 2004 was granted for the property to be occupied by a maximum of 3 persons.</p> <p>However, a visit by SRS September 2019 revealed that the house, including the 2<sup>nd</sup> floor room, were occupied by 4 persons in contravention of the conditions of the licence.</p>	
20	24.11.21	This doorstep crime case against two defendants arose from complaints being made by a number of local residents. The men made false representations that roofing work was needed when it wasn't, with scare tactics being used to suggest that there were major problems and a danger of roof collapse. The court heard how the defendants would quote	

		<p>excessive sums for work that did not need doing and then, when consumers were at their most vulnerable as their roof was exposed, they would 'find' other urgent work which required a significant escalation in the already extortionate cost. One of the residents was in poor health and unfortunately passed away while the roofing work was ongoing at his home, and so callous were the defendants that the morning after the gentleman's passing, they visited the his widow to demand payment.</p> <p>Both defendants pleaded guilty to 3 offences under the Fraud Act 2006. In sentencing, the District Judge referred to the defendants as contractors who were consistently dishonest and had adopted a greedy and callous approach which caused distress to consumers. He considered that the defendants' behaviour had been a contributing factor to the distress caused to the deceased resident in his final days. The defendants were determined to hit people when they were financially vulnerable and felt that they had no choice but to agree to having work carried out.</p> <p>While giving the 25% discount for early guilty pleas, the District Judge stated that the defendants were highly culpable and had abused their power in offences that were pre planned.</p>	
21	6.1.22	The defendants in this case were a husband and wife who ran a profitable dog breeding business. Despite being advised repeatedly by Shared Regulatory	

	<p>Services that the business needed to be licensed for dog breeding, the couple chose not to apply to become licensed. In December 2019, following the execution of a warrant at the couple's home, a number of animal welfare offences were identified.</p> <p>Prior to the court appearance on 6<sup>th</sup> January 2022, the defendants had previously pleaded guilty to one charge under section 13 of the Animal Welfare Act (unlicensed breeding) and a further nine charges under section 9 of the same legislation (duty to ensure welfare).</p> <p>The court heard how the couple had been registered with 5 different veterinary practices and litters were registered with different names and different addresses to avoid detection by both the local authority and the Kennel Club. Evidence was presented of the number of litters born to individual dogs in a short space of time – each one being artificially inseminated soon after the last litter, failing to give the mother sufficient time to recover.</p> <p>On sentencing, the Judge commented that the couple had chosen not to get a dog breeding licence and the reasons that they gave for doing so were wholly inadequate. What the defendants had done with regard to the breeding of the bitches flies in the face of veterinary advice which they chose to ignore. While the conditions at the home address do not compare to a puppy farm, this was what was being run to make money. The fines imposed reflect both the defendants'</p>	
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		means and the money that has been made.	
22	11.2.22	<p>The defendant in this rogue trader case had previously pleaded guilty to 21 Charges; 11 under the Fraud Act 2006 and 10 further charges under the Consumer Protection from Unfair Trading Regulations 2008. The case involved multiple victims who had lost a significant amount of money for building work not completed or in some cases work that was never started.</p> <p>The court heard that customers tended to contact the defendant via a business Facebook page which looked professional and which they were very taken in by. They were told by him to pay an upfront deposit to 'secure a slot' for the work to be done, and the defendant would tell them how busy he was to get them to pay. Attendance of the defendant at the residents' homes was sporadic, and he would often say he was leaving to collect materials or to deal with a family emergency. When victims had had enough of the excuses and contacted the defendant for a refund (to enable them to engage another trader to get the work completed), he would often get aggressive and abusive.</p> <p>Several Victim impact statements provided by victims as to how dealing with the defendant had impacted their life were read out to the court.</p> <p>On sentencing, the Judge described the defendant as</p>	

		<p>being calculated, manipulative and sometimes aggressive. He had been paid to complete work that at best, was substandard or faulty but mostly that money had been taken and no work done at all. He had defrauded unconnected people including single mothers, NHS workers and a widow causing a loss of approximately £50,000. These people had not just lost money to him but then had had to pay more money to get the work rectified or completed. Morgan Lewis had provided numerous excuses as to why he hadn't attended or completed the work. He had screamed at a single mother taunting her that 'he would burn her money in her face' and had made a malicious and false complaint about a member of the police force hoping that this would deter her from continuing her complaint with Trading Standards. He had had plenty of time to repay the monies back in light of the early incident that was highlighted by the defence. He has not repaid any of the victims and as a direct result of his actions, people have been left in debt, lost money that was part of an inheritance or had taken from their pension funds.</p>	
23	3.3.22	<p>This case followed a visit by Shared Regulatory Services to a take-away food business in September 2020. The officers' inspection identified a number of food hygiene offences including</p> <ul style="list-style-type: none"> <li>• a failure to ensure the premises were kept</li> </ul>	<p>In sentencing, the Magistrates confirmed that they gave the defendant full credit for the early guilty plea, accepted that the premises had been improved and that the defendant had no previous convictions. However, they were clear that these were very serious incidents and presented a serious risk to people's lives and health. The defendant was fined a total of</p>

		<p>clean</p> <ul style="list-style-type: none"> <li>• failure to implement and maintain procedures based on HACCP principles</li> <li>• failure to provide sufficient washbasins and</li> <li>• failure to ensure that food, cooking utensils and raw materials were kept clean to avoid cross contamination.</li> </ul> <p>The defendant subsequently pleaded guilty to 8 offences under the Food Hygiene (Wales) Regulations 2006.</p> <p>In mitigation the defendant's solicitor told the court that the business consists of the defendant and their spouse who is the chef. Improvements had been made at the premises - a new floor has been laid and a whole new fridge system has been put in. A further visit by SRS in November 2020 acknowledged the improvements made.</p>	<p>£1760 and ordered to pay costs of £1100 as well as a victim surcharge of £176.</p>
24	25.3.22	<p>The defendant in this rogue trading case had pleaded guilty to 4 counts of theft and one count of fraud earlier in March 2022. The hearing followed a series of delays caused by the defendant failing to appear as required in court and as a result, he faced an additional charge under the Bail Act. The trader had engaged with residents to carry out work at their homes, and each paid a substantial deposit upfront on</p>	<p>The defendant was sentenced to 33 months imprisonment on each count of theft and fraud to run concurrently and 3 months imprisonment for the Bail Act offence to run consecutively to the others. That gave a total imprisonment of 3 years. No compensation orders were made due to the defendant's lack of funds, and there was no order for costs.</p>

	<p>the basis they were paying for materials and labour. In each case, some work was carried out but then ceased. As a result, consumers were forced to employ other traders to complete the work at further cost. In each case, the prices quoted by the defendant appeared very reasonable, even unrealistic, suggesting that there was never any intention to carry out the work. Of particular concern was the fact that the defendant claimed to be a certified electrician when he had no such qualification and some of the jobs were left in a dangerous state.</p> <p>In mitigation, a number of health issues were cited, including a heart condition which had caused the defendant to cease building work. He had also been forced to declare bankruptcy.</p> <p>In sentencing, the Judge told the defendant that he had quoted competitively to get people to hire him and then lied about his qualifications and experience. The work carried out was sub-standard or not carried out at all. He went on to describe the defendant as the epitome of the 'cowboy builder' who had caused significant harm and inconvenience to his victims. These were serious offences and the defendant also had previous convictions, which was an aggravating factor.</p>	
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	Bridgend 2021/22			Cardiff 2021/22			Vale 2021/22			Total Gross Expenditure 2021/22		
	Budget	Outturn	Variance	Budget	Outturn	Variance	Budget	Outturn	Variance	Budget	Outturn	Variance
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
<b>Authority Specific</b>												
Bridgend Licensing	345	310	35							345	310	35
Bridgend Empty Homes	38	37	1							38	37	1
Kennelling & Vets Fees (Bridgend)	47	25	22							47	25	22
Cardiff Licencing				702	807	(105)				702	807	(105)
HMO Cathays				203	177	26				203	177	26
HMO Plasnewydd				275	255	20				275	255	20
Student Liaison				65	52	13				65	52	13
Night Time Noise				62	63	(1)				62	63	(1)
Cardiff Port Health				145	138	7				145	138	7
Vale Licensing							382	406	(24)	382	406	(24)
Bushes (Vale)							1	5	(4)	1	5	(4)
Pest Control Service (Vale)							105	97	8	105	97	8
Vets & Kennelling Fees (Vale)							20	3	17	20	3	17
<b>Sub total</b>	<b>430</b>	<b>372</b>	<b>58</b>	<b>1,452</b>	<b>1,492</b>	<b>(40)</b>	<b>508</b>	<b>511</b>	<b>(3)</b>	<b>2,390</b>	<b>2,375</b>	<b>15</b>
<b>Core Services</b>												
Animal Services	88	153	(65)	221	383	(162)	81	140	(59)	390	676	(286)
Environmental	50	65	(15)	125	163	(38)	46	60	(14)	221	288	(67)
Food Services	338	251	87	842	627	215	309	230	79	1,489	1,108	381
Housing Services	147	149	(2)	366	395	(29)	134	136	(2)	647	680	(33)
Health & Safety & Communicable Disease	143	121	22	356	302	54	131	111	20	630	534	96
Pollution Services	200	191	9	498	478	20	183	175	8	881	844	37
Trading Standards	381	333	48	952	826	126	350	304	46	1,683	1,463	220
<b>Sub total</b>	<b>1,347</b>	<b>1,263</b>	<b>84</b>	<b>3,360</b>	<b>3,174</b>	<b>186</b>	<b>1,234</b>	<b>1,156</b>	<b>78</b>	<b>5,941</b>	<b>5,593</b>	<b>348</b>
<b>Gross Expenditure Budget</b>	<b>1,777</b>	<b>1,635</b>	<b>142</b>	<b>4,812</b>	<b>4,666</b>	<b>146</b>	<b>1,742</b>	<b>1,667</b>	<b>75</b>	<b>8,331</b>	<b>7,968</b>	<b>363</b>

	2021/22 Expenditure Budget £000's	2021/22 Income Budget £000's	2021/22 Net Budget £000's	Mar-22 Profiled Net Budget £000's	Mar-22 Actual Expenditure £000's	Mar-22 Actual Income £000's	Mar-22 Net Position £000's	Mar-22 Net Variance £000's
	A	B	C = A - B	D	E	F	G = E - F	H = D - G
<b>Bridgend</b>								
<b>Core</b>	1,347	(60)	<b>1,287</b>	<b>1,287</b>	1,263	(39)	<b>1,224</b>	63
<b>Authority Specific</b>								
Licensing	345	(407)	<b>(62)</b>	<b>(62)</b>	310	(252)	<b>58</b>	(120)
Empty Homes	38	0	<b>38</b>	<b>38</b>	37	0	<b>37</b>	1
Kenneling & Vets	47	0	<b>47</b>	<b>47</b>	25	0	<b>25</b>	22
	<b>1,777</b>	<b>(467)</b>	<b>1,310</b>	<b>1,310</b>	<b>1,635</b>	<b>(291)</b>	<b>1,344</b>	<b>(34)</b>
<b>Cardiff</b>								
<b>Core</b>	3,360	(183)	3,177	<b>3,177</b>	3,174	(143)	<b>3,031</b>	146
<b>Authority Specific</b>								
Cardiff Licencing	702	(850)	(148)	<b>(148)</b>	807	(774)	<b>33</b>	(181)
HMO Cathays	203	(55)	148	<b>148</b>	177	(37)	<b>140</b>	8
HMO Plasnewydd	275	(87)	188	<b>188</b>	255	(27)	<b>228</b>	(40)
Student Liaison	65	(17)	48	<b>48</b>	52	(35)	<b>17</b>	31
Night Time Noise	62	0	62	<b>62</b>	63	0	<b>63</b>	(1)
Cardiff Port Health	145	(126)	19	<b>19</b>	138	(126)	<b>12</b>	7
	<b>4,812</b>	<b>(1,318)</b>	<b>3,494</b>	<b>3,494</b>	<b>4,666</b>	<b>(1,142)</b>	<b>3,524</b>	<b>(30)</b>
<b>Vale of Glamorgan</b>								
<b>Core</b>	1,234	(11)	1,223	<b>1,223</b>	1,156	(19)	<b>1,137</b>	86
<b>Authority Specific</b>								
Vale Licensing	382	(290)	92	<b>92</b>	406	(264)	<b>142</b>	(50)
Burials (Vale)	1	0	1	<b>1</b>	5	0	<b>5</b>	(4)
Pest Control Service (Vale)	105	(40)	65	<b>65</b>	97	(40)	<b>57</b>	8
Vets & Kennelling Fees (Vale)	20	0	20	<b>20</b>	3	0	<b>3</b>	17
	<b>1,742</b>	<b>(341)</b>	<b>1,401</b>	<b>1,401</b>	<b>1,667</b>	<b>(323)</b>	<b>1,344</b>	<b>57</b>
<b>Grand Total</b>	<b>8,331</b>	<b>(2,126)</b>	<b>6,205</b>	<b>6,205</b>	<b>7,968</b>	<b>(1,756)</b>	<b>6,212</b>	<b>(7)</b>